FRANCHISE DISCLOSURE DOCUMENT

Griswold International, LLC
510 East Township Line Road, Suite 210
Blue Bell, Pennsylvania 19422
215-402-0200
www.GriswoldHomeCare.com
Franchising@GriswoldHomeCare.com

The franchise offered is for the establishment and operation of a business which provides carefully screened, trained, licensed, insured, bonded, and credentialed individuals to clients seeking "Caregivers" to provide personal care, homemaking, companion care, incidental transportation, and other ancillary/supportive services to older adults, and ill or disabled persons who need extra assistance with activities of daily living.

The total investment necessary to begin operation of a Griswold franchised business ranges from $95,850 to $174,100. This includes a total of $49,500 to $54,500 that must be paid to Griswold International, LLC or our affiliates.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss availability of the Disclosure Document in different formats contact Lorraine Sheak, Lorraine@GriswoldHomeCare.com, at 510 East Township Line Road, Suite 210, Blue Bell, PA 19422 and 267- 776-4628.

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

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP, or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency 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 24, 2023, as amended July 27, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F 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 Griswold Agency Model 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 a Griswold Agency Model franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **<u>Out-of-State Dispute Resolution</u>**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Pennsylvania. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Pennsylvania than in your own state.

2. **<u>Mandatory Minimum Payments</u>**. You must make Minimum Performance or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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Exhibits

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

To simplify the language in this Disclosure Document, "GHC", "we", or "us" means Griswold International, LLC, the franchisor. "You" means each person who buys the franchise, and includes your owners and principals if you are a corporation, limited liability company, or other business entity.

The identity and principal business address for GHC's agent for service of process in your state is listed in Exhibit A to this Disclosure Document.

A. The Company, and Any Parents, Predecessors and Affiliates

GHC is a Delaware limited liability company formed on June 11, 2009. GHC's principal business address is 510 East Township Line Road, Suite 210, Blue Bell, PA 19422. Our parent is Griswold Investors, LLC, a Delaware limited liability company formed on December 13, 2013 and with a principal business address of 375 Park Avenue, Suite 3408, New York, NY 10152.

On or about June 11, 2009, GHC purchased the assets of Griswold Special Care, Inc., Griswold Special Care International, LLC, and Special Care, Inc. (including its subsidiaries, Special Care of Pennsylvania, Inc. and Griswold Special Care of Pennsylvania, Inc.). Each of these predecessor companies were headquartered at 717 Bethlehem Pike, Suite 300, Erdenheim, PA 19038, with separate ownership and boards of directors.

- Griswold Special Care, Inc., a Delaware corporation, was formed May 6, 1986, and offered businesses similar to the Franchise in Connecticut, Delaware, Georgia, Florida, Massachusetts, Maryland, Michigan, New Jersey, South Carolina, and Tennessee from May 1986 until 2009. It also operated company-owned offices similar to the Franchise in Maryland and Virginia.

- Griswold Special Care International, LLC, a Delaware limited liability company, was formed April 4, 2000, and offered businesses similar to the Franchise in California, Illinois, Louisiana, Minnesota, North Carolina, Ohio, Rhode Island, Texas, Washington, Wisconsin and Vermont and operated a corporately owned office similar to the Franchise in Illinois, Maryland, and Virginia until 2009.

- Special Care, Inc. began operations in 1982 in Pennsylvania as a sole proprietorship, and incorporated as Special Care, Inc., a Pennsylvania corporation, on May 20, 1985. It operated offices similar to the Franchise in Pennsylvania. Griswold Special Care of Pennsylvania, Inc. (incorporated on November 12, 2002) and Special Care of Pennsylvania, Inc. (incorporated on April 7, 2004) offered businesses similar to the Franchise offered under this Disclosure Document in Pennsylvania until 2009.

We have been offering Griswold Franchises since 2009. In addition to offering Griswold Home Care franchises, we offered franchises from 2011 to 2012 for the operation of healthcare staffing businesses providing temporary and direct hire Registered Nurses, Licensed Practical Nurses, Licensed Vocational Nurses, Certified Nursing Assistants and other healthcare professionals to hospitals, long-term care facilities, government agencies, and other healthcare facilities and organizations under the mark "GHC Staffing." We sold 1 GHC Staffing franchise during that period.

We have no other business activities and have not previously offered nor do we currently offer franchises in any other lines of business. Other than as disclosed in this Disclosure Document, there are no other parents, predecessors, or affiliates of GHC that offer franchises in any line of business or provide products or services to the franchisees of GHC.

B. The Griswold Home Care Franchise

We grant franchises for the establishment, development, and operation of a business (the "GHC Business" or "Franchise") which primarily identifies people in need of assistance and matches them with carefully screened, trained, licensed, insured, bonded, and credentialed individuals ("Caregivers") who provide personal care, homemaking, companion care, incidental transportation, and other ancillary, supportive services ("Caregiver Services") in a variety of settings under the *GRISWOLD HOME CARE* name and such other trademarks, trade names, service marks, logos, insignia, trade dress, and designs that we may designate for use now or in the future (the "Marks") and the GHC proprietary business system (the "System"). Currently, Caregiver Services do not include any medical services or services of a medical nature. However, if permitted by state law, we reserve the right to expand the Caregiver Services to include medical type services in the future. We refer to customers paying for Caregiver Services as "Clients" and to individuals receiving the Caregiver Services as "Care Recipients." In addition, our franchisees also provide consultation to Clients and/or Care Recipients with respect to home care services. This identification, recruitment, placement, facilitation, and/or consultation comprise the franchisee services (the "Franchisee Services"). In this disclosure document, Caregiver Services and Franchisee Services are referred to collectively as the Services (the "Services"). Care Recipients generally include older or disabled adults needing assistance with daily activities including bathing, toileting, ambulation, medication prompts, incidental transportation, meal preparation and eating, and shopping and errands, as well as simple companionship and supervision for cognitively-impaired individuals. In order to become a franchisee, you must operate your business in accordance with our standards and specifications, and you must sign the Franchise Agreement, attached to this Disclosure Document as Exhibit B-1, the Collateral Assignment of Lease/Consent and Agreement of Lessor, attached to this Disclosure Document as Exhibit B-4, and the Conditional Assignment of Franchisee's Telephone Number, attached to this Disclosure Document as Exhibit B-5. If you are a current Griswold franchisee that signed the Franchise Agreement on or after January 1, 2018, you will sign our current Franchise Agreement and our Addendum to Agency Franchise Agreement for Existing Franchisees, attached to this Disclosure Document as Exhibit B-2. If you are a current Griswold franchisee that signed the Franchise Agreement before January 1, 2018, you will sign our current Franchise Agreement and our Addendum to Agency Franchise Agreement for Existing Franchisees, attached to this Disclosure Document as Exhibit B-3. If you will operate the Franchise through an entity, you will execute the Assignment and Assumption Agreement attached to this Disclosure Document as Exhibit I. The Assignment and Assumption Agreement will transfer your duties and obligations under the Franchise Agreement to the entity that you form.

From February 1984 to June 2014, we offered franchises under a Registry Business Model, which is utilized by GHC Businesses in which franchisees identify and refer independent Caregivers to Clients to provide Caregiver Services.

As of December 31, 2022, we had 16 company-owned units that were all operating under the Agency Business Model. We have been offering Agency Business Model franchises since 2016. We operated all of the company-owned units under the Registry Business Model until January 1, 2016, when all of our company units converted to the Agency Business Model. This Disclosure Document relates only to a Agency Business Model franchise. Additional information regarding changing state laws can be found in "D. Industry Specific Regulations" in this Item 1, below.

C. Market and Competition

The market for the Services of the type that GHC offers is well developed and you may face competition from a wide variety of sources, that include (depending on the type of Care Recipient): other home care companies; consulting firms; private employment agencies; home health agencies; au pair, nanny or babysitting services; staffing companies; home care registries; assisted living facilities; skilled nursing facilities; hospitals; and private individuals offering non-agency affiliated similar services to the public.

D. Industry Specific Regulations

You must obtain and maintain, at your expense, all required licenses, permits, certificates and accreditations relating to the operation of the Franchise and you must operate the Franchise in full compliance with all applicable laws, ordinances and regulations, including employment laws. The state(s), counties, or city/cities in which you operate your Franchise may impose laws, regulations and/or ordinances that are specific to the home care and personal care service industry and it is your responsibility to know the requirements of these laws, regulations and/or ordinances, and remain current on such obligations throughout the operation of the Franchise.

Various aspects of the home care industry are regulated under both federal law and state law. There are also employment laws and regulations, including those related to staffing and employment agencies, which may apply to your operations. In addition, under the Agency Model, you will treat caregivers as employees for purposes of workers' compensation, unemployment insurance, and all applicable taxes.

The federal and state regulation of the home care industry is evolving and we cannot predict the impact of current or future economic, regulatory and/or financial conditions on the industry, the Franchise system as a whole, or your Franchise. In addition, the ordinances, laws and/or regulations applicable to your Franchise at the federal and state level can and may change, imposing new or additional obligations on you; you are solely liable for these, including passing state and local inspections, surveys and audits or additional licensing requirements. Changes to the ordinances, laws and/or regulations applicable to your Franchise at the federal and state level may also change the nature of the franchisee-caregiver relationship, including worker classification.

It is your responsibility to research and obtain all required licenses, permits, certificates and accreditations required for the operation of the Franchise in your area and to determine all applicable laws, ordinances and regulations, including those specific to the personal care service industry. It is your responsibility to be aware of and be in compliance with all applicable federal, state, and local laws and regulations including(a) industry specific laws; (b) state and local business and zoning permits, license and certifications, zoning; (c) corporate filings; (d) fictitious name registrations; (e) non-discrimination and anti-harassment laws; (f) equal opportunity, employment, wage and hour laws and regulations, and occupational safety; (g) veterans and other governmental funding regulations; (h) insurance, tax; and (i) all other applicable laws. You should carefully consider these laws and regulations and your obligations to comply with them when evaluating your purchase of the Franchise.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer: Michael Slupecki, MSA, MBA

Michael Slupecki has served as our Chief Executive Officer since February 2020. From August 2018 to January 2020, he served as the Chief Financial Officer for BioMatrix Specialty Pharmacy in Plantation, Florida. Prior to that, he worked for Interim HealthCare in Sunrise, Florida, from June 2004 to December 2017, serving most recently as the company's Chief Operating Officer (January 2014 to December 2017) and Chief Financial Officer (December 2007 to December 2017).

Chief Financial Officer: Katherine Schiavino, MBA, CPA

Katherine Schiavino has served as our Chief Financial Officer since February 2021. From November 2017 to January 2021, Ms. Schiavino served as VP Finance / Interim CFO of BioMatrix Specialty Pharmacy in Plantation, Florida. Ms. Schiavino also previously served as Director of Finances and Accounting for

Comcast / NBC Universal in Sunrise, Florida from September 2016 through November 2017. From February 2012 through September 2016, Ms. Schiavino also served as Area CFO / Finance Director of US Foods in Boca Raton Florida and Fairburn, Georgia.

Chief Operating Officer: Steven Turner

Steven Turner has served as our Chief Operating Officer since June 2021. From June 2020 to June 2021, Mr. Turner served as Chief Revenue Officer of Homecare.com in McLean, Virginia. Prior to that time, Mr. Turner served as VP of New Franchise Support for Interim HealthCare, Inc. in Sunrise, Florida from February 2013 to June 2020.

Franchise Development Manager: Brian Hill

Brian Hill has served as our Franchise Development Manager since September 2021 in Blue Bell, PA. From September 2016 to September 2021, Brian served as Franchise Developer for Dwyer Group in Waco, Texas.

Vice President of Company Owned Offices: Christina Sommerfield

Christina Sommerfield has served as our Vice President of Company Offices since August 31, 2020 and performs these duties in Blue Bell, Pennsylvania. Prior to that time, Ms. Sommerfield served as the Area Vice President of Operations for Aveanna Healthcare in Mt. Laurel, New Jersey from December 2019 to August 2020. She also previously served as the Area Vice President of Operations of Aveanna Healthcare in Mt. Laurel, New Jersey from December 2016 to December 2019. From April 2014 to December 2016, Ms. Sommerfield served as Senior Client Relations Coordinator of Aveanna Healthcare in Delaware and Pennsylvania.

Director of Sales and Operations: Matthew Eriksen

Matthew Eriksen has served as our Director of Sales and Operations since October 5, 2020 in Blue Bell, Pennsylvania. Prior to that time, Mr. Eriksen served as Director of Operations for BrightStar Care in Wayne, Pennsylvania from May 2017 to September 2020. From June 2014 to May 2017, Mr. Eriksen served as Executive Director of Aveanna Healthcare in Trevose, Pennsylvania.

Vice President of Marketing: Shelley Kanther

Shelley Kanther has served as our Vice President of Marketing since November 2020 in Blue Bell, Pennsylvania. Prior to that time, Ms. Kanther served as Marketing and Digital Strategy Consultant for New England Appliance Group in Franklin, Massachusetts from June 2016 to November 2020. Ms. Kanther also previously served as Marketing Development Manager for Electrolux Major Appliances in Charlotte, North Carolina and held this position from May 2012 to May 2016.

Manager of Compliance: Cathy Reilly

Cathy Reilly has served as our Manager of Compliance since January 2019. From May 2018 to December 2019, Ms. Reilly served as a Human Resources and Compliance Specialist for us. From November 2016 to April 2018, she was a Paraprofessional with the Radnor Township School District in Wayne, Pennsylvania. From November 2001 to May 2016, Ms. Reilly was an Account Manager with Financial Health Services, Inc. in Plymouth Meeting, Pennsylvania.

Director of IT: Tim Swan

Tim Swan has served as our Director of IT since November 2021 in Blue Bell, PA. From June 2020 to November 2021, Tim served as IT Manager of ASTM International in Conshohocken, PA. Tim also previously served as IT Senior Manager at The University of Pennsylvania from January 2007 to February 2020 in Philadelphia, PA.

Director: John L. Pouschine, MBA

John L. Pouschine has served as a Director of GHC since December 2012 and served as our interim Chief Executive Officer from May 2019 to February 2020. Mr. Pouschine is the Managing Member of Pouschine Cook Capital Management, LLC of New York, New York where he has worked since March 1999.

Director: Michael Isakson, MBA

Michael Isakson was appointed a Director of GHC in October 2013. Mr. Isakson has also been the Managing Partner of Insight to Execution in Memphis, Tennessee since September 2012 and a Member of Grandview, LLC of Little Rock, Arkansas since November 2012. He has also served as a Director of ECP-PF Holdings Group of Boston, Massachusetts since November 2015.

Director: Christobel E. Selecky

Christobel Selecky has served as a Director of GHC since November 10, 2020. Ms. Selecky also serves as a (i) Board Chair of Satellite Healthcare in San Jose, California and has held this position since June 2015, (ii) Board Member of Teleperformance in Paris, France and has held this position since May 2014, (iii) Board Member of ImmunityBio in Los Angeles, California and has held this position since November 2020, (iv) Strategic Advisor of Ceresti Health in San Diego, California since July 2014, and (v) Lecturer at the University of California in Irvine, California since January 2017. From October 2016 to August 2020, Ms. Selecky served as a Board Member of Verity Health System in Los Angeles, California. From December 2017 to June 2020, Ms. Selecky served as a Board Member for SCAN Health Plan in Long Beach, California. Ms. Selecky also served as a Board Member of American Specialty Health in San Diego, California from August 2011 to May 2016.

Director: Brian Harrison

Brian Harrison was appointed a Director of GHC in October 2018. Mr. Harrison has been a Principal with Pouschine Cook Capital Management, LLC in New York, New York, since August 2017. Mr. Harrison has also been an advisor to GH Partners in New York, New York since June 2017. He was a partner at Breazy, Inc. from February 2016 to March 2017 in Brooklyn, New York. From May 2010 to September 2014, he was a Vice President at Altpoint Capital Partners in New York, New York.

Director: Andrew Bohutinsky

Andrew Bohutinsky was appointed a Director of GHC in July 2018. Since August 2017, he has been Managing Partner of Stonehenge Partners in Columbus, Ohio. From March 2010 to June 2017, he was Managing Partner of Alesco Holdings in Columbus, Ohio.

Director: Lori Griswold

Lori Griswold was appointed a Director of GHC in February 2023. From October 2017 to December 2019, Lori served as a Consultant for us in Blue Bell, PA. From December 2019 to December 2020, Lori served as a Contractor/Consultant for the United States Department of Justice in the Eastern District of PA.

ITEM 3
LITIGATION

Pending Actions

1. Griswold Homecare of Baton Rouge v. Griswold International, LLC (AAA Case No. 01-23-0000-2034). On January 17, 2023, Griswold Home Care of Baton Rouge ("Franchisee") filed a complaint with the American Arbitration Association against Griswold International, LLC for breach of contract and unjust enrichment, seeking to recover its damages and alleged lost profits stemming from a now-resolved enforcement action against Franchisee by the Louisiana Department of Health in 2021, pursuant to the indemnification provision of the Franchise Agreement. Griswold International, LLC denies the claims and intends to vigorously defend the action. An arbitrator has not yet been selected and a hearing date has not yet been scheduled.

Completed Actions

1. Commonwealth of Virginia v. Griswold Special Care of Virginia, Inc. and Special Care, Inc. dba Griswold Special Care (Case Nos. SEC-2004-00001 and SEC-2004-00002). In 2003, the Division of Securities and Retail Franchising (the "Virginia Division") of the Virginia State Corporation Commission (the "Virginia Commission") began an investigation into a former franchisee's complaint to the Virginia Division concerning the accuracy of the language used in the Uniform Franchise Offering Circular ("UFOC") (this is now referred to as a Franchise Disclosure Document) of GHC's predecessor entity, Griswold Special Care, Inc. After investigation, the Virginia Division alleged that Special Care, Inc. offered and granted a franchise in which it provided a disclosure document to the prospective purchaser which contained an untrue statement of material fact in violation of Section 13.1-563(b) of the Virginia Franchise Act, and filed an inappropriate document with the Virginia Division. The Virginia Division's allegations were neither admitted or denied by Griswold Special Care, Inc. Rather, Griswold Special Care, Inc. agreed to a settlement order, issued by the Virginia Commission on September 27, 2004, in which it withdrew its then-pending franchise registration renewal application in Virginia, without prejudice to any future filings in Virginia, reimbursed the Virginia Division for $2,000 of its costs of investigation and agreed not to violate the Virginia Retail Franchising Act in the future.

2. Commonwealth of Virginia v. Griswold Special Care, Inc. and Kent C. Griswold (Case Nos. SEC-2008-00036 and SEC-2009-00032). In March 2008, the Virginia Division undertook a review of GHC's predecessor, Griswold Special Care Inc.'s company-owned store joint venture agreements in Virginia for compliance with the Virginia Franchise Act. After investigation, the Virginia Division alleged that Griswold Special Care, Inc. and its principal, Kent C. Griswold, violated the Virginia Franchise Act by offering or granting franchises in Virginia prior to registration, by failing to provide franchisees with the required franchise agreement and franchise disclosure document, and by violating the terms of the settlement order in Case Nos. SEC-2004-00001 and SEC-2004-00002 (described above). The Virginia Division's allegations were neither admitted nor denied. Rather, Griswold Special Care, Inc. agreed to a settlement order, issued by the Virginia Commission on May 29, 2009, in which Griswold Special Care, Inc. paid a $10,000 penalty and reimbursed the Virginia Division for $5,000 of its costs of investigation, and agreed not to violate the Virginia Retail Franchising Act in the future. Also in accord with the settlement, Griswold Special Care, Inc. offered rescission to its joint venture partners, who declined the offer.

3. In June 2014, September 2014, and April 2015, GHC and various affiliated parties were named respondents and defendants in the following 3 related matters (the "Related Matters"):

   Mark Andersen et. al. v. Griswold International, LLC et. al., (Docket No. 14-cv-02560, United States District Court for the Northern District of California). On June 3, 2014, Plaintiffs Holly Andersen, MHA Family Holdings Inc., James J. Carlson, Marilyn N. Roach-Carlson, James Carlson LLC, Michael Geisler, M & E Family Care LLC, Dave Hinders, Hinders Home Care Inc., Barry Howland, Gigi Howland, Christopher Jenkins, CS Family Ventures Inc., CSAB Management Inc., Wade Luders, South Bay Care LLC, Michael McKaig, Ken Peters, Kerry Peters, The KPeters Group, Charlayne Redmon, Dwayne Redmon, Ledgewood Enterprise Inc., James Thelen and Thelen Enterprise Inc. (collectively, "Plaintiffs"), Griswold franchisees located in California, filed suit against GHC, and present and former officers or employees Graham Weihmiller, Thomas Monaghan, Diane Walker, Patrick Spaan, Greg Bast, and Michael Magid (collectively, "Defendants") alleging claims arising under the California Franchise Investment Law, the California Franchise Relations Act ("CFRA"), and claims for fraud and breach of contract with respect to their franchises. Plaintiffs alleged that a recent change in California law regarding payment of overtime wages to caregivers adversely impacted the operation of their Franchises, and that the Defendants misrepresented the manner in which the Franchise could be operated in California. On August 13, 2014, all Defendants filed a motion to dismiss the complaint in its entirety and filed a petition to compel arbitration against 3 plaintiffs who had agreed to arbitrate, and not litigate, all disputes with us. The motion to dismiss the complaint was granted in part and denied in part; the court dismissed all Plaintiffs' CFRA claims and the complaint as to the Individual Defendants other than Graham Weihmiller, but denied Defendants' motion to sever Plaintiffs' claims into separate actions. On September 19, 2014, Plaintiffs voluntarily dismissed all claims asserted by Christopher Jenkins, CS Family Ventures Inc., and CSAB Management Inc., and all claims that Defendants misrepresented facts with respect to Plaintiffs Charlayne Redmon, Dwayne Redmod, Ledgewood Enterprise Inc., Wade Luders, and Southbay Care, LLC. On or about May 19, 2016, the case was dismissed with prejudice pursuant to the terms of the settlement agreement described below under "Global Settlement Agreement."

Mull v. Griswold International, LLC, (Civil Action No. 1:15-cv-00737-WYD-KLM, District of Colorado, Colorado). On April 9, 2015, John Michael Mull ("Plaintiff"), filed suit against GHC alleging misrepresentation, breach of contract, fraud and/or violations of franchise laws. Plaintiff alleged that he purchased a franchise based upon the representations of GHC that it had a viable system under which persons providing non-medical home care services operated as independent contractors, so that neither clients nor the franchisee was responsible for taxes or compliance with wage and hour or other labor or employment laws. Plaintiff further alleged that GHC had knowledge that the Department of Labor regulations, which had been finalized in the Fall of 2013, would signal changes in the law that GHC viewed as mandating changes in its model, but continued to represent to Plaintiff that GHC was not affected by any changes in healthcare regulations and that Plaintiff's business would be successful. Plaintiff alleged that GHC represented that Plaintiff would not have to be a licensed business, which proved to be untrue. As a result of these misrepresentations, Plaintiff alleged he was induced by GHC to enter into a franchise agreement for a business that was substantially different than what was presented by GHC and that GHC failed to fulfill its obligations leading to additional operational problems. Plaintiff sought damages in excess of $500,000. GHC denied all claims. On or about May 19, 2016, the case was dismissed with prejudice pursuant to the terms of the settlement agreement described below under "Global Settlement Agreement."

Jenkins, et. al. v. Griswold International, LLC, et. al. (Case No.1-14-0001-4884, American Arbitration Association). On or about September 15, 2014, Christopher Jenkins, CS Family Ventures Inc., and CSAB Management, Inc. (collectively, "Plaintiffs") initiated an arbitration against GHC, Graham Weihmiller, Thomas Monaghan, Diane Walker, Kent Griswold, and Fiona Middleton re-alleging their claims in the Anderson v. Griswold International action above, including: misrepresentation, breach of contract, fraud and/or violations of franchise laws. On or about May 19, 2016, the arbitration was dismissed with prejudice pursuant to the terms of the settlement agreement described below under "Global Settlement Agreement."

The Global Settlement Agreement: In May 2016, the parties to the Anderson and Mull litigation, and the Jenkins arbitration reached a global settlement of all claims involved in the Related Matters and executed a single settlement agreement (the "Global Settlement Agreement"). Pursuant to the Global Settlement Agreement, and in addition to other non-material terms, GHC agreed to pay a lump sum of $700,000 to all plaintiffs and claimants. In return, all plaintiffs and claimants agreed to release all claims against GHC and Weihmiller.

4. Life Call Systems, Inc. v. Griswold International, LLC., (Case No. 13-05556, Court of Common Pleas for Lancaster County, Pennsylvania). On December 23, 2014, R. Scott Knoll and Life Call Systems

(collectively, “Plaintiffs”), filed suit against GHC alleging common law fraud, negligent misrepresentation, breach of contract, unjust enrichment, promissory estoppel, breach of confidentiality, and unlawful agreement. Plaintiffs allege that they had a franchise agreement (the “Agreement”) with GHC’s predecessor, and that GHC misrepresented that it was properly assigned the Agreement and had the right to license the Special Care mark and collect royalties thereunder. Plaintiffs further alleged that GHC did not have a right to collect royalties under the Agreement, that GHC failed to provide the services they were required to under the Agreement, that GHC’s breached Plaintiffs’ confidentiality by sharing Plaintiffs’ confidential business information with other franchises, and that Plaintiffs could no longer operate lawfully in accordance with the GHC system because of alleged changes in the employee status of Caregivers. Plaintiffs sought damages in excess of $500,000 and a declaration that they did not have a franchise with GHC, or alternatively a declaration that Plaintiffs should not be bound by the non-competition covenants in the Agreement. GHC denied all claims. On October 21, 2015, the parties reached a settlement in which Plaintiffs paid $170,000 to GHC, and GHC agreed not to enforce any post-termination covenants or compete in Plaintiffs’ territory for a certain period of time.

5. Scott MacPhee, individually and as Independent Executor of the Estate of Carolyn MacPhee, and Robert MacPhee individually v. DeCoursin Special Care, Inc. d/b/a Griswold Home Care and Griswold International, LLC (Case No. 471-04114-2019, Collin County District Court, Texas). On August 1, 2019, and later amended on December 30, 2019, February 27, 2020, October 22, 2020, and January 5, 2021, Scott MacPhee and Robert MacPhee (collectively, “Plaintiffs”), filed suit against DeCoursin Special Care, Inc. d/b/a Griswold Home Care (“DeCoursin”) and Griswold International, LLC (“GHC”) alleging negligence, gross negligence and common law fraud as a result of acts committed against Carolyn MacPhee by a former independent contractor of DeCoursin that was matched by DeCoursin with Carolyn MacPhee, as well as certain representations that were apparently made to Plaintiff. On or around May 12, 2021, the parties executed a Settlement Agreement and Release where GHC did not admit any liability and paid Plaintiffs $34,848.25 in exchange for a release of claims.

6. **Indiana Office of the Secretary of State, Securities Division v. Valiant Industries, Inc., Valiant Health Care, Inc. DBA Accessible Home Health Care, Valiant ACMS, Inc. F/K/A Valiant Healthcare Inc., Accessible Healthcare Services, Inc. DBA Accessible Home Health Care, Aarif M. Dahod, John Roswell, Mirella Salem, and Steven Turner** (Administrative Complaint filed with the Indiana Securities Commission on April 9, 2012 and amended on November 26, 2012, Cause No. 11-0248 CD). The Indiana Secretary of State, Securities Division, filed an Administrative Complaint to commence an adjudicative proceeding against the respondents, alleging that the respondents made false representations of material facts and/or omitted to state material facts in violation of the Indiana Franchise Act and/or 16 CFR 436.5 (a), (b) and (c). Relief sought by the Securities Division included restitution, civil penalties, damages and a permanent ban from franchising in the state of Indiana. On April 19, 2016, the Securities Division issued a Judgment and Final Order, under which the respondents were ordered to permanently cease and desist from violating any provision of the Indiana Franchise Act, pay a civil penalty in the amount of $8,000 and pay the costs of investigation of the Administrative Complaint in the amount of $5,000.

Other than the actions described above, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

Steven Turner, our Chief Operating Officer, was Chief Executive Officer and President of Valiant Health Care, Inc. (“Valiant”) from July 2010 until February 2013. On January 1, 2012, Valiant filed a voluntary petition for protection under Chapter 11 of the U.S. Bankruptcy Code (Southern District of Florida, Case

No. 12-10089-RBR). On February 4, 2013, the debtor filed a Plan of Reorganization. On June 11, 2015, the United Stated Bankruptcy Court issued a Final Decree closing the Chapter 11 bankruptcy case.

Other than as stated above, no bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

A. Initial Franchise Fee

To purchase a single territory with a population the greater of 250,000 individuals or 25,000 senior citizens (aged 65 and older), you must pay GHC an initial franchise fee (the "Initial Franchise Fee") of $49,500. You may increase the population in your territory up to 300,000 for an additional $5,000. The Initial Franchise Fee is payable in full upon the signing of the Franchise Agreement, is fully-earned upon payment and is not refundable. No Initial Franchise Fee is payable if you are an existing Griswold franchisee and sign the Addendum to Agency Franchise Agreement.

GHC participates in the International Franchise Association's VetFran program and provides a discounted Initial Franchise Fee for individuals honorably discharged from military service. Currently, GHC has a 5-star rating and provides a 20% discount off the Initial Franchise Fee in connection with its participation in the VetFran program. The VetFran discount is applied to the purchase of your first territory and is not applied to the purchase of additional territories. This discount may be changed or discontinued at GHC's discretion. This discount cannot be combined with any other discount offer available at the time of your purchase.

Except as provided for in this Item 5, the fees are uniform. GHC may, in its sole discretion, award larger or additional territories to selected franchisees.

B. Additional Territory

If you meet certain requirements and qualifications and are otherwise financially qualified as set forth in our Operations Manual, you may purchase up to 1 additional territory for a total of 2 territories. You must sign a Franchise Agreement for each additional territory purchased and pay the then-current Initial Franchise Fee in full at signing. The Initial Franchise Fee for each additional territory will be discounted from the then-current Initial Franchise Fee (described in Paragraph A above) by 15%. For example, an initial franchise fee of $49,500 will be discounted by $7,425 and therefore will be $42,075.

We may, in our sole discretion, offer existing franchisees that exceed average system-wide Gross Receipts (as defined in Item 6, Note 2), an additional 5% discount on the purchase of any additional territories.

At GHC's sole discretion and subject to availability, you may be able to make subsequent purchases of additional territories after you sign your initial Franchise Agreement. In order to acquire more additional territories, you must be in good standing and not otherwise in default under any initial Franchise Agreement. GHC does not guarantee the availability of additional territories. The additional Franchise units operating in additional territories will be governed by separate Franchise Agreements.

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ITEM 6
OTHER FEES

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Royalty[2]	The greater of 4% of Gross Receipts [2] or the Minimum Performance Requirement	Monthly	4% of your Gross Receipts (as defined in Note 2 below). Starting in the second calendar year after the opening date, you must pay us a minimum weekly royalty payment in an amount equal to the greater of (i) 4% of your Gross Receipts, or (ii) $100 per week (the “Minimum Performance Requirement”).
Annual Quota Deficiency[3]	Will vary	Upon demand.	See Note 3.
General Marketing Fee	The greater of $75 or 0.5% of Gross Receipts [2]	Weekly	Beginning 30 days from the opening date to the first anniversary of the opening date, you must pay the then-current weekly marketing fee (“General Marketing Fee”), which is currently 0.5% of Gross Receipts to a general marketing fund. Thereafter, you must pay GHC the greater of $75/week or 0.5% of Gross Receipts. In the event of a renewal of an existing franchise agreement or the purchase or transfer of an existing franchise, the General Marketing Fees will become payable upon signing the Franchise Agreement.
Software Fee[45]	Currently, $8 per client per month	Monthly	Beginning on 13th month after the opening date, you must pay us or our designated third-party vendor a monthly software fee. Currently, the monthly software fee is $8 per Care Recipient per month.
Initial Training Fee	$0	N/A	You do not pay a fee to attend HomeCare Academy®, our initial training program. However, you are responsible for your own travel and living expenses related to attending this initial training, currently held at GHC headquarters or another location designated by us. Attendees to HomeCare Academy are limited to licensed franchisees, partners, spouses, siblings and adult children over the age of 21 years. You may bring staff to HomeCare Academy provided you attend the entire training and each staff member signs a confidentiality and non-compete agreement.
Transfer Fee	$15,000 plus any brokerage fee payable by franchisee; or $5,000 for any transfer to an existing GHC franchisee.	Prior to any Transfer	Payable to us in the event that you transfer your Franchise to a third-party purchaser. No Transfer Fee will be required (a) in the case of a transfer to a corporation, partnership, or limited liability company (in which the current or existing individual franchisee owns more than a 50% interest in such entity) that is formed by franchisee for the convenience of ownership; (b) in a transfer to your spouse or adult child; or (c) at our reasonable business judgment in a transfer to your employee.

Additional Remediation training	$500 per day per trainer, plus reasonable room, board and travel for each trainer.	Upon receipt of invoice	If you fail a routine review, audit and inspection consultation (a "Quality Review"), we may require you to have additional training, either on-site at your location, at our corporate headquarters or other location of our choosing. If the additional training is on-site at your location, we will invoice you for this expense when incurred. If at a location other than your location, you are responsible for your own travel and living expenses related to attending such training.
Annual meeting/conference [(6)]	As determined from time to time. Currently, $450.	Prior to attending the annual meeting or other conference	You must attend 1 GHC-presented meeting/conference each year at your own expense. In addition, you are responsible for all of your travel and living expenses, including your registration fee. The registration fee secures your reservation and is non-refundable if you do not attend.
Additional Marketing Support	Varies	Upon your request	GHC may consult and confer periodically with you and other franchisees about advertising and provide you (upon request) with marketing assistance from time to time at GHC's reasonable business judgment and at your sole expense.
Local Ongoing Marketing / Shortfall	Minimum of $12,000 per year	When incurred	You are required to spend at least $12,000 per year on local marketing, promotional and advertising activities. However, the local marketing requirement will be reduced to $6,000 per year if, (a) you hire a dedicated sales and marketing professional or (b) if the Franchise is or will be jointly operated by 2 related adult family members. If the franchise is jointly operated by 2 related adult family members, the expectation is that one family member will take on marketing responsibilities. If you fail to spend the required Local Marketing in any fiscal year, we reserve the right to require you to pas us the shortfall for that year and we will spend that amount on local marketing in your Territory.
Additional Royalty	An additional 2% of Gross Receipts	When incurred	In addition to the Royalty, upon a failure to cure any default within the applicable time period (if any), we have the right to require you to pay us an additional two percent (2%) of Gross Receipts in addition to the Royalty due for each week until we determine that the default has been cured and you are otherwise in compliance with the Franchise Agreement.
Cooperative Fee	An amount determined by the Cooperative	As required by the Cooperative	Cooperative payments are determined by majority vote of the Cooperative members. If there is an Affiliate-Owned location in your Cooperative, then our Affiliate will be able to vote on all matters that you and the other Cooperative members have the right to vote on.

Late Fees	$25 per week	When incurred	If you fail to submit all weekly sales reports and financial statements to us by noon (Eastern Time) Friday of each week for the prior Monday through Sunday's Gross Receipts collected and deposited, we will deduct a $25 contribution from your designated bank account for each additional week that passes without our receipt of weekly sales reports and/or financial statements. Reports may be submitted electronically (email), by facsimile or hardcopy.
Insurance	Varies	When incurred	Should you, for any reason, fail to procure or maintain the insurance required, as such requirements may be revised in the Operations Manual or otherwise in writing, we have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to you, which charges will be payable by you immediately upon notice.
Arbitration Expenses	Varies	When incurred	We and you will bear our own costs of arbitration (e.g., lawyers, travel and similar expenses) and we and you must equally share arbitration expenses (e.g., arbitrator fee, room expense, and similar expenses).
Underreporting Fee	Interest on any unpaid amount from the date it was due; costs of audit if you have underreported by 3% or more	When incurred	In the event any audit or review discloses any understatement of your Gross Receipts, you are obligated to pay to us, within 15 days after your receipt of our review report, the Royalty or General Marketing Fees due on the unremitted funds, plus interest on such unpaid amount from the date it was due until all past due amounts are paid, at a rate of the lesser of 12% per annum or the maximum rate permitted by law. Further, if any review process discloses an understatement of 3% or more of Gross Receipts for any period or periods, you are required to reimburse us for the cost of such review process including the charges of any independent accountant and attorney's fees, the travel expenses, room and board and *pro rata* compensation of our auditing employee(s) or agents. We may deduct the penalty and our costs directly from your designated bank account and if any subsequent review process undertaken, at least 30 days after the initial audit, discloses any understatements or if any evidence of intentional understatement, we may immediately terminate the Franchise Agreement.
Indemnification	Will vary with circumstances	On demand	You must reimburse GHC for the cost we incur if we are sued or held liable for claims that arise from your Franchised Business' operation or for costs associated with defending claims that you used the trademarks in an unauthorized manner.

Printed Materials and Shipping	Will vary with circumstances. Currently ranges from $37-$453 per month ($150 on average).	When incurred	GHC will make available to you for your purchase, standard format advertising and promotional materials, including business cards, brochures, and other collateral developed by GHC, or an outside advertising professional. You are responsible for all costs associated with the advertising and promotional materials, as well as shipping.
Additional Services	Will vary with circumstances	When incurred	See Note 7.

Notes:

(1) Unless otherwise noted, the fees described above are payable to GHC, uniformly imposed, and non-refundable.

(2) "Gross Receipts" is defined as the aggregate of all monies received by you as a result of all Services and goods provided by you during the preceding reporting period. Gross Receipts do not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts do not include Client reimbursements to you for actual expenses (e.g. mileage) paid by you on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill.

You must establish a designated bank account exclusively for the depositing of all Gross Receipts. You must deposit all Gross Receipts for the prior week into your designated bank account, including cash, checks, and credit card receipts, on or before the due date for that weekly sales report. You must send us weekly sales reports of your Gross Receipts (which must include your calculation of all the Royalties and General Marketing Fees, and any other information we require) for the prior week on the day and in the form as we require in writing. Each week, we will collect Royalty and other amounts due by you from your designated bank account and we will automatically deduct, on each Friday for the term, all payments owed to us under the Franchise Agreement or any other agreement from your designated bank account via an electronic funds transfer initiated by Franchisor ("EFT Program"). Upon written notice to you, we can designate another method of payment or time frame for payment.

During your first and second calendar years after the opening date, you are required to pay us a Royalty Fee equal to 4% of your Gross Receipts. Starting in the third calendar year after the opening date, you must pay us a minimum weekly royalty payment in an amount equal to the greater of (i) 4% of your Gross Receipts, or (ii) $100 per week (the "Minimum Performance Requirement"). If you are renewing or converting an existing Franchise or purchasing an existing franchise, the Minimum Performance requirement will become due and payable upon signing the Franchise Agreement

(3) Starting in the second calendar year after the opening date, you are required to achieve certain annual minimum sales quotas ("Annual Sales Performance Metric") as set forth in the table below:

Calendar Year	Annual Sales Performance Metric	Annual Royalty
First Calendar Year	N/A	N/A
Second Calendar Year	$150,000	$6,000
Third Calendar Year	$250,000	$10,000
Fourth Calendar Year	$300,000	$12,000
Fifth Calendar Year	$350,000	$14,000
Sixth Calendar Year	$400,000	$16,000
Seventh Calendar Year	$450,000	$18,000
Eighth Calendar Year	$500,000	$20,000
Ninth Calendar Year	$550,000	$22,000
Tenth and Each Subsequent Calendar Year	$600,000	$24,000

If you fail to achieve your Annual Sales Performance Metric, then we may, in our discretion, demand that you pay a shortfall fee. The shortfall fee is calculated by taking the Annual Royalty set forth in the table above and subtracting from that amount the amount you paid in royalties during the applicable calendar year. The difference between your Annual Royalty and the amount you paid in royalties during the applicable calendar year is the shortfall fee ("Shortfall Fee").

We will have 180 days after the end of each calendar year to demand payment of the Shortfall Fee. You will have 30 days after the date you receive our demand to pay the Shortfall Fee. Failure to pay the Shortfall Fee is a default of your Franchise Agreement.

(4) The First Year's Software Fee of $1,750, as described in Item 5, is due to us 2 weeks prior to attending our HomeCare Academy® training program. Starting in the 13th month after opening, you will have to pay a monthly Software Fee. Currently, the monthly Software Fee is $8 per client you service each month (for example, if you had 50 clients, your Software Fee would be $400/month). Discounts may be available for higher volume. You will pay the Software Fee directly to our designated vendor. The Software Fee and GHC's designated software vendor will be determined in our reasonable business judgment, and are subject to review by GHC's software selection committee. If you are converting to the Agency Model by signing the Addendum to Agency Franchise Agreement for Existing Franchisees or renewing your Franchise Agreement for another term, no First Year's Software Fee will apply and you will pay a monthly Software Fee for the entire term.

(5) GHC may charge a fee to cover meeting and/or conference speakers, meals, and other reasonable meeting and/or conference expenses once you have registered, and whether or not you attend. GHC reserves the right, if you fail to register for and attend at least 1 of the meetings or conferences GHC sponsors in a calendar year, to deduct the greater of $350 or the then-current registration fee from your designated bank account.

(6) Other healthcare, homecare, or alternative services may be or become available in your area. Availability will be partially dependent upon your interest and/or the scope of licensures available in your state, including personal emergency response system device deployment, facility and other staffing services, and some RN/LPN services in other similar business systems. In the event you are approved to provide related services as described in this Disclosure Document through the Franchise, you will be required to pay associated fees, royalties and general marketing contributions.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE[1]	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee[2]	$49,500 - $54,500	Your choice of bank check, money order or wire transfer	At signing of Franchise Agreement	GHC
Living Expenses While Training[3]	$3,000 to $5,000	As incurred	As incurred	Third-parties
Office Lease[4]	$9,000 to $13,000	Per lease agreement	As arranged	Lessor
Office Equipment[5]	$2,500 to $4,000	As arranged	As arranged	Third Parties
First Year Computer Software Fee and Installation Fee[6]	$1,750	Your choice of bank check, money order or wire transfer	2 Weeks prior to attending HomeCare Academy®	Third-party
Signage	$50 to $1,000	As arranged	As arranged	Third-parties
Opening Office Supplies and Inventory	$50 to $750	N/A	As arranged	Third-parties
Insurance (6 months of general liability and worker's comp premiums) [7]	$3,800 to $4,800	Varies	As arranged	Third-parties
Printed Materials and Shipping[8]	$1,200 to $1,800	As arranged	As arranged	Third-parties
License, Permit Registration or Certificate Costs[9]	$0 to $7,500	As arranged	Every 1 to 3 years	State and/or local regulatory authorities
Additional Funds (6 months)[10]	$25,000 to $80,000	As incurred	As incurred	Working Capital: Employees, Suppliers, Utilities, etc.
Total:	**$95,850 to $174,100**			

Notes:

(1) Unless otherwise noted, the fees described above are non-refundable, unless you arrange otherwise with your suppliers. GHC does not offer, either directly or indirectly, any financing for these expenditures. All of the above expenses are your sole obligation as the owner of the Franchise. The numbers here are based on current experience and market conditions of existing GHC Businesses.

(2) The $49,500 Initial Franchise Fee is for 1 territory which will include the greater of a population up to 250,000 people or 25,000 seniors. You may expand the territory up to a population of 300,000 people for an additional $5,000. The Initial Franchise Fee is non-refundable.

(3) You will be responsible for expenses such as travel, lodging, meals and other expenses related to your attending GHC's HomeCare Academy® training.

(4) We estimate that your rent will range between $1,000 and $1,500 per month for an office of approximately 500 - 1,000 square feet, based on our experience in Pennsylvania. The $9,000-$13,000 included in the table above is for lease expenses associated with the first 6 months plus a security deposit and last month's rent. Most rentals require a security deposit plus first and last months' rent at inception of the lease. Rental rates vary widely nationwide. You must list GHC on any leased or owned space. You are required by the Franchise Agreement to enable GHC to use the office space within your GHC Business operations in the event GHC needs to assume day-to-day operations of your GHC Business. You are required to send to GHC written proof of assignment within 10 days of completing such lease or purchase.

(5) You are required to maintain a computer that has Internet access, video teleconferencing hardware (*i.e.*, web camera, microphone/speaker), Microsoft Office Pro software (or its successor), and file backup capabilities. You must also obtain additional equipment including telephones, a smartphone, bank check scanning equipment, facsimile/copier scanner, desks, and an answering machine or service, some or all of which may already be in your possession. You will also have ongoing fees for services. Telephone, cellular service, and high-speed Internet service will on average cost $150 to $300 per month, depending on your area, your choices, the number of lines, and quality of your phone system, etc. There may be additional setup and service fees that will vary based on your vendor. The Item 7 table above includes 3 months of expenses associated with office technology and service fees.

(6) Your payment of the $1,750 First Year's Computer Software Fee covers 12 months of software usage. See Item 6 for more information regarding ongoing Software Fees.

(7) You must maintain the insurance required by state and local law, and as indicated in your Franchise Agreement, which insurance must name GHC as an "additional insured" for liability arising out of the operations of the Franchise. We estimate that your monthly insurance premium will range between $635 and $800. The estimated initial insurance cost listed in the chart above is based on the average expense for startups for a 6-month period for General and Professional Liability Insurance (minimum limits of $1,000,000 per occurrence, $3,000,000 in the aggregate); Non-owned Auto Insurance ($1,000,000 for each accident sub-limit); Sexual Abuse Coverage (minimum limit of $250,000); Business Income Coverage (minimum limit of $100,000); Crime Coverage (minimum limit of $25,000); Property/Contents (minimum limit of $10,000); and Workers' Compensation Insurance. Please note that minimum workers' compensation coverage is set by state law. Workers' compensation premiums vary quite significantly from state to state and depending on the size of your workforce. Depending on your state, we estimate that you will pay between $0.20 and $4.55 per $100 of your payroll for workers' compensation insurance.
In addition, we recommend, your state may require, or you may choose, to add the following insurances: Employment Practices Liability Insurance, Renter's Insurance, and/or Umbrella Policies for defense costs outside the limits of your base policies.

These types of insurances may be provided by vendors of your choice, usually payable upon demand. Other insurances may be chosen by you, depending upon your personal risk tolerance and/or the advice of your personal tax, business or legal counsel. Should you, for any reason, fail to procure or maintain the insurance required the Franchise Agreement, as such requirements may be revised in the Operations Manual or otherwise in writing, we have the right and authority (without, however, any obligation to do so) immediately to purchase such insurance and to charge same to you. The purchase price, together with a reasonable fee for our expenses in so acting, will be payable by you immediately upon notice. The foregoing remedies will be in addition to any other remedies we may have.

(8) The state in which you operate the Franchise may require you to obtain licensing, certification, registration or other forms of state or local business permits in order to operate the Franchise.

(9) Additional funds, referred to as working capital, are included to cover start-up expenses to cover such matters as any legal fees or other costs for advisors for compliance with state and federal laws affecting the homecare industry and the Franchise and ongoing expenses for operating your Franchise, such as any expenses associated with the annual conference, local ongoing marketing and related marketing supplies, rent if applicable, the hiring of office employees, recruiting for caregivers**,** advertising programs, office supplies, utilities, customer satisfaction programs, credit card processing fees, telephone answering service fees, and charges for a VOIP phone system. This estimate, which covers 6 months of compensation for the owner and 1 staff member, as well as a small amount of miscellaneous expenses, is based on our experience in franchising for approximately 7 years and our predecessor's experience in franchising for over 25 years. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this start-up phase or after. Some state regulations may require you to hire a full time Care Coordinator and a part time Community Relations Coordinator before starting operations of the Franchise or sooner, which will increase your costs. Your actual costs will depend on how well you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the local market for the Services; the prevailing wage rate; competition; the sales level reached during the initial period, as well as any salary or draw taken by you from revenues or monies you determine necessary to support yourself during your GHC Business's start-up period, which may last 6 to 24 months or more. You should also speak with existing franchisees to help determine the appropriate amount of working capital for your business.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

A. Preferred Vendors

GHC currently has no required specifications, designated suppliers or approved suppliers for goods or services in relation to the operation of the Franchise other than those specified here below. Currently, neither GHC nor its affiliates are approved suppliers or sole suppliers of any product or services. There are no suppliers in which an officer of GHC owns an interest. There are "preferred vendors" available to you for various items, including printing and office supplies, cognitive ability screening services and workbooks, telemedicine services, and biometric tracking devices and services. Some of these suppliers may afford you a group purchasing discount. Except for the client relations management software as provided below, GHC does not mandate that any equipment, products, services and/or supplies used in connection with the operation of the Franchise be purchased exclusively from us or our affiliates or suppliers or distributors we designate. GHC issues brand standards for any products or supplies that display the trademarks.

You may purchase office equipment from any source you select, including basic computer hardware and software as set forth in GHC's Operations Manual. You are required to have high-speed Internet access, and video teleconferencing equipment for communication with us as well as coordinating your business operations, interacting with clients, accessing GHC's intranet, and receiving and sending marketing presentations and materials. At any time during the operation of your Franchise, we may, in our reasonable business judgment, require you to upgrade or replace any computer hardware or software to comply with our then-current standards and specification for a Franchise.

You may be loaned up to 5 or more email accounts (e.g. "@GriswoldHomeCare.com") as part of the Franchise purchase. If you wish to obtain more than 5 email accounts, you will be required to pay the then-current fee for such email accounts. You must use your assigned email account in all aspects of the operation of the Franchise. Each email account remains GHC's sole property and reverts to GHC in the event of any expiration, termination, or transfer. You may not have other email accounts for the Franchise, nor may you use or establish or identify any website or social media site other than our designated website, currently **www.GriswoldHomeCare.com** for Franchise business operations, except for: (a) email accounts used in connection with the Franchise prior to the date that you sign the franchise agreement or otherwise permitted by us, or (b) as provided in any social media policy (if any) which we may adopt or incorporate into the manual. You may not use the Marks or any trade names or trademarks confusingly similar to the Marks as part of any email address, website identification, social media site naming/identification, or on any third-party website without GHC's prior written consent. Except for personal exchanges of correspondence in the ordinary course of business between you, clients, prospective clients, and your established contacts, including Caregivers, any email or online content that you create related to marketing or advertising the Franchise, the Services, Caregivers, or Clients will be considered advertising and be subject to GHC's approval and requirements.

You are required to utilize our approved web-based software system. The web-based software includes sections for management of client and caregiver data, and which will be used to support any remote Quality Review processes, financial tracking, sales, reporting, mapping, and providing dashboards for monitoring. GHC does not receive any revenue as a result of your use of the system. The ongoing Software Fee is subject to review and change in our reasonable discretion and with the review of our software selection committee.

GHC may receive rebates or other discounts from certain suppliers and/or preferred vendors for purchases made by you and other franchisees. GHC did not receive any payments from suppliers or preferred vendors in 2022. GHC has negotiated certain discounts and pricing with approved suppliers. In addition, GHC reserves the right to negotiate discounts with or make recommendations concerning other vendors and suppliers in the future. Such recommendations are customarily based on experiences within the Franchise network and often result in research savings to System franchises. GHC estimates that your required purchases and leases to all purchases and leases required to establish and operate your Franchise will be between 0% and 5%.

B. Criteria and Process for Supplier Approval

GHC has no criteria or fees for approving vendors of your choice, and no applicable time period within which to notify you of approval or revocation of same.

C. Purchasing or Distribution Cooperatives

GHC does not provide franchisees with material benefits (such as renewal or granting additional territories) based on franchisees' purchase of particular products or services or use of particular suppliers. There are preferred vendors for soft goods, printing and office supplies which may afford you group purchase discounts.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

OBLIGATIONS	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Section 5	Items 5, 11, and 12
b. Pre-opening purchases/leases	Section 5	Items 5, 7, 8, and 11
c. Site development and other pre-opening requirements	Section 5	Items 5, 7, and 11
d. Initial and ongoing training	Sections 3, 5, 6, and 7	Items 6, 7, and 11
e. Opening	Section 5	Item 11
f. Fees	Sections 4, 7, 11, 12, 13,14, and Attachment 3	Items 5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 3, 6, 7, 8, 9, and 11	Items 11, 12 and 14
h. Trademarks and proprietary information	Sections 1, 8, 10, and 15	Items 13 and 14
i. Restrictions on products/services offered	Section 6	Items 8 and 16
j. Warranty and customer service requirements	Sections 1 and 6	Item 12 and 16
k. Territorial development and sales quotas	Sections 1, 5, and Attachment 2	Items 6, 12, and 17
l. Ongoing product/service purchases	Section 6	Items 5, 6, 7, and 8
m. Maintenance, appearance, and remodeling requirements	Section 5	Items 7 and 11
n. Insurance	Section 13	Item 7
o. Advertising	Section 12	Items 6, 7, and 11
p. Indemnification	Section 13	Item 6
q. Owner's participation/management/staffing	Section 6, 10, and 18	Item 15
r. Records and reports	Section 6, 11, 13, and 16	Item 6

s. Inspections and audits	Section 3, 6, 7, and 11	Item 6
t. Transfer	Section 14	Item 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Section 16	Items 15 and 17
w. Non-competition covenants	Section 17 and Attachment 5	Items 15 and 17
x. Dispute resolution	Section 19	Item 17

ITEM 10
FINANCING

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

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

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

A. Pre-Opening Obligations

Before you open your Franchise, GHC will:

1. Provide up to 10 days of on-site training, as further described below. (Franchise Agreement Section 3.1);

2. Loan you 1 copy of GHC's Operations Manual (at our option in hard copy and/or on-line version). (Franchise Agreement Section 3.2); and

B. Territory and Site Approval

GHC will provide you with information at your request, customarily within the month preceding training, concerning your Franchise site selection, considering such factors as accessibility of your chosen site for prospective Caregivers, Clients, and Care Recipients, overall location relative to your territory and your costs. You must select a location for Franchise operations only within your assigned territory, subject to GHC's approval. Site selection and office set-up should occur prior to on-site training or licensure, and must occur prior to commencement of Franchise operations. Local, state or other regulations and/or restrictions may restrict your site selection. GHC does not lease real estate to franchisees and currently has no plans to do so. The approximate time between the signing of the Franchise Agreement and the opening of the Franchise is between 60 and 120 days. Factors affecting these time periods may include your personal schedule, your identification of a suitable office location, your ability to obtain all required licenses and/or accreditations, your completion of our initial training program, and your obtaining insurance coverage.

C. Continuing Obligations

After you open the Franchise for business, GHC will:

1. Provide you with updates to the Operations Manual from time to time. (Franchise Agreement Section 3.2).

2. Provide you with assistance, as we deem necessary, in complying with applicable state and/or local licensing requirements. (Franchise Agreement Section 3.3).

3. Make branded proprietary business forms, brochures, business cards, information and descriptive literature for the operation of the Franchise available to you in English for your purchase and at your sole expense, including shipping. (Franchise Agreement Section 3.5).

4. Market the System through a general marketing fund. (Franchise Agreement Section 3.6).

5. Designate 1 or more persons who will be available at reasonable times to render advice to and consult with you on the operation of your Franchise. (Franchise Agreement Section 3.7).

6. Monitor and review Franchise operations in order to determine compliance with the Operations Manual and Franchise Agreement. (Franchise Agreement Section 3.8).

7. Monitor and assist in your maintenance of positive public relations with your clientele. (Franchise Agreement Section 3.9).

8. Provide annual meetings and/or conferences among franchisees, teleconferences and additional training for franchisees. (Franchise Agreement Section 3.10).

9. Issue brand standards for any products or supplies that display the trademarks, as we determine. (Franchise Agreement Section 3.11).

10. Use our best efforts to remain current on legal and other developments in the industry and promptly advise you of any changes that may affect the Franchise. (Franchise Agreement Section 3.12).

11. Assist you in maintaining high quality standards through satisfaction surveys, reviews, interviews, and other similar initiatives, to the extent required by state law. (Franchise Agreement Section 3.13).

D. Consultation with Franchisees

We agree in the Franchise Agreement, with respect to certain types of matters, to consult on a periodic basis on matters of mutual interest with any "Franchisee Association." These matters include our possible development of other products, services, or technologies (described in Item 16; Franchise Agreement Section 1.3.5); our possible changes to the System; our possible changes to the Manuals; and our use of the General Marketing Fund and ad cooperatives (described in this Item 11; Franchise Agreement Section 18.2). Moreover, we agree in our Franchise Agreement to consult on a periodic basis with any Franchisee Association on matters of mutual interest. A "Franchisee Association" is any representative group of owners consisting of more than 50% of the owners that has been operating GHC Businesses for more than 3 years. As of January 1, 2021, the GHCFA (described in Item 20) met this definition and is the current Franchisee Association. As a franchisee, under the Franchise Agreement you agree that we may consult with and consider the advice of any such group, but that we are not bound by its views. We may from time to time require that any such group of GHC franchisees demonstrate to our reasonable satisfaction that it meets the above-described qualifications, and we have no obligation to recognize any such group that has failed or refused to so demonstrate its qualifications. GHC retains the right to establish and interact with any elected or appointed franchisee advisory board or council that qualifies as a representative franchisee group as described above. In this regard, GHC has established a franchisee advisory council (Franchise Agreement Section 18.2).

E. Advertising/Marketing

1. ***Description of the Marketing Program.*** GHC is not required to make any certain amount of advertising or marketing material available to you or to spend any amount on marketing within your territory. (Franchise Agreement Section 12.2.4). GHC may conduct advertising in print, television, and/or electronic media. GHC will have branded business forms, brochures, business cards, and descriptive and or promotional literature and operational forms available for your purchase at your sole expense. All such materials will be provided at GHC's actual cost, and you will be responsible for all shipping and handling costs.

GHC may consult and confer periodically with you, other franchisees, and company-owned businesses about marketing, promotions and public relations, and may provide you with advice concerning best practices information. Although not obligated to do so, GHC regularly seeks marketing opportunities to advance the company and brand reputation including interviews, articles in local, state and national publications and has implemented Internet and toll-free client and caregiver telephone support services. You must submit all self-generated advertising materials to GHC for our approval prior to use. You will be required to use the official name of your territory, which will be assigned upon the signing of a Franchise Agreement, for all promotional events, web sites, collateral materials, etc.

2. ***General Marketing Fund***. Beginning 30 days from the opening date to the first anniversary of the opening date, you must pay GHC the then-current weekly General Marketing Fee, which is currently 0.5% of Gross Receipts to the "General Marketing Fund." Thereafter, you must pay GHC a weekly General Marketing Fee the greater of $75 or 0.5% of Gross Receipts to the General Marketing Fund. If you operate another GHC Business under the Marks in the Territory, then you shall pay us the greater of (i) $75, or (i) one half of one percent (.5%) of Gross Receipts (Franchise Agreement, Section 12.2.1). In the event of a renewal of an existing Franchise Agreement or the purchase or transfer of an existing franchise, the General Marketing Fees will become payable upon signing the Franchise Agreement. GHC will administer and maintain the General Marketing Fund to develop, produce and distribute advertising, public relations and marketing materials and products promoting the Services provided by GHC Businesses. GHC will use General Marketing Fund contributions, in GHC's reasonable business judgment and consultation with GHC franchisees, to develop, produce and distribute national, regional and/or local advertising and to create advertising materials and public relations programs which promote, in GHC's reasonable business judgment and consultation with GHC franchisees, the products and services offered by system franchisees. GHC has the right to determine expenditures from the General Marketing Fund, or any other advertising program. GHC also has the authority to determine the selection of the advertising materials and programs provided. However, GHC will make a good faith effort to expend General Marketing Fund contributions in the general best interests of the System on a national or regional basis. GHC may use the General Marketing Fund to satisfy any and all costs of maintaining, administering, auditing, directing, preparing, and producing advertising, preparing and producing Internet, television, radio, magazine, and newspaper advertising campaigns, direct mail, outdoor billboard advertising, and any other forms of advertising.

GHC may use the General Marketing Fund for the cost of public relations activities, advertising agencies, developing and maintaining a website and other departmental costs for advertising that GHC internally administers or prepares. Nevertheless, you acknowledge that not all System franchisees (or company-owned businesses) will benefit directly or on a pro rata basis from such expenditures. All GHC franchisees contribute to the General Marketing Fund at the same rate. Company-owned businesses are not required to contribute to the General Marketing Fund at the same rate as GHC franchisees. GHC will not directly utilize General Marketing Funds for the purpose of soliciting new franchisees.

GHC will prepare on an annual basis, and will have available for System franchisees within 60 days of the end of the fiscal year, an unaudited statement of contributions and expenditures for the General Marketing Fund. The General Marketing Fund is not required to be independently audited.

In the fiscal year ended December 31, 2022, the General Marketing Fund contributions were expended as follows:

34% Website development
24% Paid Digital Marketing
19% Operations Vendors
7% Public Relations
4% Reviews and Rep Management
3% Graphic Designer
3% Consultants
2% Promotional Items
1% Software and Apps
1% Video Production
1% Printing
1% Email Marketing

Local Marketing. You are required to spend a minimum of $12,000 per year on local marketing, promotional and advertising activities. However, in the event that you hire a dedicated sales and marketing professional or if the Franchise is or will be jointly operated by 2 related adult family members, the Local Marketing Requirement will be reduced to $6,000 per year. If the Franchisee is operated by 2 related adult family members, the expectation is that one of those family members will take on marketing responsibilities. You may not designate yourself as the sales and marketing professional for the purpose of reducing your annual Local Marketing Requirement. You acknowledge and agree that you must use only advertising and promotional materials developed or approved by GHC, and must cease using any materials upon instruction from GHC. You must participate in advertising, promotional, and/or branding initiatives upon instruction from GHC. You agree not to use public figures in Franchise promotional efforts or advertising without the prior express written approval of GHC. You must submit all self-generated advertising materials to GHC for our approval prior to use.

3. ***Advertising Cooperatives.*** We have the right, in our reasonable business judgment and consultation with GHC franchisees, to designate any geographical area for purposes of establishing a regional advertising and promotional cooperative ("Cooperative"), and to determine whether a Cooperative is applicable to your Franchise. We also have the power to form, change, dissolve and/or merge Cooperatives. There are currently no Cooperatives. If a Cooperative is established applicable to your Franchise, you must participate in and contribute to the Cooperative. We will work with franchisees if a Cooperative is established to determine: (a) how the area or membership of the cooperative is defined; (b) how much franchisees must contribute to the fund and whether other franchisees must contribute a different amount or different rate; (c) whether company-owned outlets must contribute to the fund and if so, whether the contributions are on the same basis as those for franchisees; (d) who would be responsible for administering the cooperative; (e) whether cooperatives must operate from written governing documents and whether the documents are available for franchisees' review; and (f) whether cooperatives must prepare annual or periodic financial statements and whether those statements will be available for franchisees' review.

F. Computer System

You are required to have a compatible computer with video teleconferencing equipment in order to be able to communicate with us and access our intranet system. You must have a computer that supports a high-speed Internet connection, email, Microsoft Office Pro software, file backup abilities, fax/copier/scanner capacity, a “smart phone”, and a bank check scanner. You are responsible for making your own selection and purchase of an Internet access provider and computer, and costs will vary widely depending upon bandwidth, accessibility in your area and your choice of vendors. We estimate that the cost of the computer system will be between $1,000 and $2,000, with high-speed Internet access at the cost of $75-$125 per month.

From time to time, we may, but are not obligated to, upgrade our preferred software system in order to facilitate your operation of the business. You are required to use the system selected by GHC and bear the associated costs of that system (including any costs in connection with upgrading or making your then-existing system and related equipment compatible with our system).

You are solely responsible for upgrading, maintaining, repairing or updating your personal computer system or its software during the term of the Franchise Agreement. We estimate that the costs of annual maintenance, updating, upgrading, or support contracts will range from $100 to $2,000.

GHC will have independent access to the information from your Franchise that will be generated and stored in our preferred software system and any Client, Care Recipient, Caregiver, service or financial records stored in your computer system at all times. There are no limitations on GHC’s rights to access this information.

G. Operations Manual

The table of contents to the current GHC Operations Manual (including the number of pages in each section) is attached as Exhibit C. It currently has 111 pages.

H. Training

GHC will provide you with initial training regarding the operation of the Franchise at HomeCare Academy® (HCA) as soon as arrangements can be made and schedules allow, usually not more than 60-90 days after signing the Franchise Agreement. Because licensure may take longer in certain states, we may allow you to participate in the initial training program prior to securing all licenses and permits necessary to operate the Franchise in your territory. Prior to initial training, franchisees receive support in the Griswold launch process regarding the Franchise, including review of the Operations Manual, review of state specific compliance manuals, obtaining state licenses where applicable, setting up your local company, insurance, bank accounts, completing a market/rate study, locating and setting up commercial office space, and establishing criminal background screening in your state. Coaching in the launch process usually takes place via telephone/webinar. HCA is for a period of up to 11-15 weeks made up of 4-5 weeks of pre-HCA self-guided, e-learning beginning during the launch process, 2 weeks of on-site*, instructor-led training (HCA) and 5-6 weeks of follow up to provide hands-on support through the entire life cycle of the business. Post-HCA length, frequency, and content will be determined by the training team based on Franchisee’s needs. On-site training and is typically held at our corporate headquarters, but such training may be held via webinar depending on local, state or federal travel restrictions or at any other location we may designate. Instructional materials may consist of digital resources.

We do not currently charge you for this training but you are responsible for your own travel and living, and all other related expenses.

GHC currently offers and conducts a training program monthly and on an as-needed basis, dependent upon the number of incoming franchisees, which you must complete to GHC's satisfaction.

TRAINING PROGRAM

SUBJECT	HOURS OF SELF-GUIDED ELEARNING	HOURS OF INSTRUCTOR-LED CLASSROOM TRAINING*	LOCATION
Introductions, Reviews, Company History & Future, Strategy	0	10.75	GHC Headquarters*
Federal, State & Local Regulations, Scope of Service, Quality and Compliance,	1	4.75	GHC Headquarters* and your Franchise
Caregiver Recruitment & Retention	18	13.75	GHC Headquarters* and your Franchise
Lead Generation (digital marketing, referral source), Sales	13	6.5	GHC Headquarters* and your Franchise
Client Initial Calls, Intake, and , Management and Retention	4	13.5	GHC Headquarters* and your Franchise
Business Plan, Profit & Loss Statement, Accounting	3	7	GHC Headquarters* and your Franchise
Software systems: ClearCare, DocuSign, FranConnect, etc.	6	5.5	GHC Headquarters* and your Franchise
Examination and Evaluation	0	1.5	GHC Headquarters
TOTAL HOURS	**45**	**71.25**	

HCA training is geared towards the adult learner, employing a variety of blended learning methodologies.

Training will be provided by or under the supervision of 1 or more of the following individuals:

Name	**Position**	**Experience with GHC**	**Experience in their Field**
Michael Slupecki	Chief Executive Officer	Since 2020	30 years' experience
Katherine Schiavino	Chief Financial Officer	Since 2021	26 years' experience

Christina Sommerfield	Vice President of Company Owned Offices	Since 2020	32 years' experience
Shelley Kanther	VP of Marketing	Since 2020	25 years' experience
Cathy Reilly	Manager of Compliance	Since 2017	24 years' experience
Amanda Lepore	Senior Manager of Learning and Development	Since 2014	17 years' experience
Steven Turner	Chief Operating Officer	Since 2021	28 years' experience
Tim Swan	Director of IT	Since 2021	23 years' experience

Additional training programs or refresher courses are offered from time to time by GHC. These are free webinars that you and your office staff can attend. However, your participation in these programs is not mandatory.

*Location of classroom training is dependent on Federal, State and Local travel regulations at the time of training and may be conducted virtually.

ITEM 12
TERRITORY

A. General Territory Description

You will operate the Franchise within a protected territory within which you have the right to provide Services to Care Recipients (the "Territory"), subject to the exceptions described in this Item and in the Franchise Agreement. Your Territory and official Territory name will be agreed upon at the signing of the Franchise Agreement and cannot be changed or alternatively described or identified without our prior written consent. You may not relocate your office without our prior written consent, which will not be unreasonably withheld, on the condition that the office is relocated within your Territory.

Your Territory is usually delineated by postal zip codes and/or by geographic boundaries (e.g., county lines) and will be determined on or before your execution of the Franchise Agreement. Territory sizes can vary widely, but our standard territory has a population the greater of 250,000 people or 25,000 senior citizens (individuals aged 65 years or older). We currently rely on demographics and income reports from ESRI to determine territory viability. You may increase the size of your territory up to 300,000 people for an additional $5,000.

You may be able to purchase up to 1 additional territory (for a total purchase of 2 territories) at the time you purchase the Franchise or thereafter. However, GHC reserves the right to, in its sole discretion, allow certain franchisees to purchase additional territories (in excess of the 2 territories that are available for purchase for all franchisees). You will sign a separate Franchise Agreement for the second territory. Prior to the execution of a Franchise Agreement, a detailed written description of the additional territory (or territories) will be provided to you.

We will not open a GHC-owned location using the Marks, or authorize any other party to open a location using the Marks within your Territory (or territories) that provides Services to Clients and Care Recipients, so long as you are not in default under your Franchise Agreement(s).

In the Franchise Agreement, you acknowledge that territories will be assigned by GHC in its sole discretion and that cross-state border coverage is customarily prohibited by applicable state laws, and that territory coverage may also be affected by licensure or regulatory body rules.

B. Franchisee Services Outside of the Territory

You will provide Services to Care Recipients whose principal residence is in the Territory, including to such Care Recipients that require initial services at an acute facility located outside of the Territory (e.g., hospital, rehabilitation facility). You are not permitted to provide Services to Care Recipients located outside of your Territory unless: (a) the Care Recipient's principal residence is in an area within the state where the Territory is located, which is not assigned to any franchisee (the "Unassigned Territory"); provided, however, that GHC reserves the right to reassign these Care Recipients if the Unassigned Territory subsequently becomes part of another franchisee's territory; (b) GHC receives a request on behalf of a Care Recipient whose principal residence is outside the Territory requesting a reassignment to a different GHC Business; or (c) an existing Care Recipient subsequently moves his or her principal residence to a territory assigned to another franchisee (provided that your right to service the Care Recipient will terminate if there is a 3-month or longer gap in Services). If there is a 3-month gap in Services, then the records regarding the Care Recipient must be turned over to the franchisee which has purchased the Territory in which the Care Recipient resides.

You acknowledge and agree that other System franchisees may service Care Recipients within your Territory based upon the above described factors.

You agree to (a) refer to GHC any and all third-party, large scale or multi-territory referral contracts; (b) coordinate with other GHC offices in referral relationship building activities; and (c) share opportunities and consider regional brand-building activities with GHC and other System offices in your territory to benefit all offices in potential time and cost savings.

C. GHC Reserved Rights

GHC reserves the right (a) to use the Marks and System itself in connection with selling products and Services, provided that such use is not competitive with the Franchisee Services; (b) to grant consent to another franchisee or company-owned office to provide other types of services, which are not the same as the Franchisee Services, under different trademarks within or outside your Territory; (c) to operate and/or license others to operate franchised or company-owned offices outside of your Territory; (d) to develop and establish other lines of businesses, products, and services which are not a part of the System, but which may be related to the System, using similar proprietary marks (other than "Griswold Home Care") and business systems, or any other proprietary marks, and to grant franchises for those businesses, products, and services; provided, however, that if GHC develops and franchises another such line of business, products, or services, and offers such franchise in your Territory, GHC will first offer to you the franchise rights prior to offering the rights to any other party and without charging a new initial franchise fee; and further provided that if you are already operating a business offering products or services to be offered by GHC's new franchise offering, you have the right to continue the business. (If you are operating a business offering products or services to be offered by GHC's new franchise offering, you will have the right to continue in such business, and GHC will not seek to convert any acquired home care business to the Marks in your Territory.); and (e) to develop other products, services, or technologies related to the System and using the "Griswold Home Care" marks within or outside the Territory, provided that if GHC develops such products, services, or technologies, and markets them and generates revenues from them in your Territory, GHC will discuss sharing a portion of such revenues with franchisees in its business judgment and in consultation with franchisees. Accordingly, 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.

In addition, in connection with the assignment or reassignment of any Care Recipient, GHC reserves the right to (a) assign and/or reassign any Care Recipient whose principal residence is within your Territory who requests to be reassigned to another franchisee or a company-owned office for good cause (other than pricing or Business Model); (b) consent to another franchisee or company-owned office to facilitate the provision of Caregiving Services to a Care Recipient whose principal residence is in your Territory for good cause (other than pricing or Business Model), unless there is at least a 3-month gap in service (in which even the Care Recipient will revert and be serviced by the franchisee or company-owned office in which the Care Recipient resides); or (c) allocate to other franchisees and/or company-owned offices any and all Regional/National Contracts in the event you decline to service such a contract, are unable or unwilling to perform under the contract, or are otherwise in default of your Franchise Agreement. You acknowledge and expressly understand and agree that you are not authorized to offer, sell, or perform, under the Marks, or refer others to perform any services of a medical nature, within the Territory, except as GHC reasonably permits in writing and is allowed by state law or regulations or as described in the state compliance manual. GHC, although under no obligation to do so, may negotiate and enter into national or regional contracts with third-party payer, large scale or multi-territory referral contracts (the "Regional/National Contracts") that afford all GHC offices, among other things, an expanded referral network and Client base. You must refer all prospective Regional/National Contract opportunities to GHC. You expressly authorize GHC to enter into Regional/National Contracts and agree to be bound by the terms of such contracts. You must service any Regional/National Contract Recipients whose principal residence is in the Territory in accordance with the procedures set forth in the Operations Manual or in periodic memoranda provided by GHC. In the event that you are in default of your obligations under the Franchise Agreement, or are otherwise unable or unwilling to comply with any of the terms of a Regional/National Contract, GHC will have the right, in its reasonable business judgment, to contract with another GHC Business or company-owned office operating under the Marks and System to provide such services to the Regional/National Contract Client whose principal residence is within the Territory on the terms and conditions contained in the Regional/National Contract. To the extent GHC has Regional/National Contracts, GHC will provide incentive programs from time to time to reward franchisees for referring prospective Regional/National Contracts. GHC will use its best efforts to assist franchisees that refer prospective Regional/National Contracts.

Under the Franchise Agreement, you do not have: (a) any right to offer any product or service via e-commerce; (b) any right to establish an independent website or to establish a URL incorporating the Marks or any variation except as GHC has authorized; or (c) any right to distribute, market, or implement GHC's products and services in any channel of distribution not specifically identified in the Franchise Agreement. Except as described in this Item 12, we may not modify your Territory.

ITEM 13
TRADEMARKS

Under the Franchise Agreement, we grant you the right to operate the Franchise under the names *GRISWOLD HOME CARE*® and under other Marks, including the logo set forth on the Disclosure Document cover page.

You are prohibited from using any of the Marks as part of any corporate name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos to which you are granted permissive use by GHC). In addition, you may not use any of the Marks in connection with the sale of any unauthorized product or Services or in any other manner not explicitly authorized by GHC, nor any other logo, name or mark in connection with the provision of Services under the Franchise Agreement.

We have registered the following service marks on the Principal Register of the United States Patent and Trademark Office ("USPTO"), and, as of the issuance date, have filed all required affidavits and renewals where applicable:

MARK	REGISTRATION NUMBER	REGISTRATION DATE
GRISWOLD	5942145	December 24, 2019
GRISWOLD HOME CARE	5942144	December 24, 2019
HOMECARE ACADEMY	5854536	September 10, 2019
HOMECARE ACADEMY	3459844	July 1, 2008
ACCELACARE DRIVING EXCELLENCE. DELIVERING CARE.® *(& Design)*	4268703	January 1, 2013
GRISWOLD HOMECARE (& Design)	4326861	April 30, 2013
WE GIVE PEOPLE THE HELP THEY NEED TO LIVE IN THE PLACE THEY LOVE	5399282	February 13, 2018
DELIVERED WITH HEART	5399281	February 13, 2018
	5883843	October 15, 2019

We have also applied for the following marks which are currently pending on the Principal Register of the USPTO:

MARK	SERIAL NUMBER	FILING DATE
	97/592432	September 15, 2022
LIVE ASSURED	97/592429	September 15, 2022

We do not have a federal registration for the trademarks listed in the table immediately above. Therefore, these marks do not have as many legal benefits and rights as a federally-registered trademark. If your right to use this trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There is no effective determination by the USPTO, the trademark administrator of this State or any court or any pending material litigation involving proprietary marks which are material to the Franchise. There are no known infringements, opposition or cancellation proceedings, nor unsuccessful attempts to register of which GHC is currently aware.

There are no agreements currently in effect that significantly limit the rights of GHC to use or license the use of the above-mentioned trademarks, service marks, trade names, logotypes, or other commercial symbols in any manner material to the Franchise; nor in association with other products or services GHC may choose to market or trade under this or other marks.

In the event of any infringement of, or challenge to your use of any of the Marks or System, you will immediately notify GHC. GHC has the sole right to direct and control any administrative proceeding or litigation involving the Marks or the System, including any settlement. GHC is not required to defend you against any infringement, unfair competition or other claim respecting your use of any Mark or the System; however, GHC will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of the use of any of the Marks, provided that you have previously notified GHC of such claim and that your use of the Marks is in accordance with the Franchise Agreement. If GHC, in GHC's reasonable business judgment, determines that you have not used the Marks in accordance with the Franchise Agreement, you will bear the cost of such defense, including the cost of any judgment or settlement. You will cooperate with us in any such action.

GHC reserves the right, in its reasonable business judgment and consultation with GHC franchisees, to substitute different proprietary marks for use in identifying the System and the businesses operating under the System. You will discontinue using all Marks which GHC has modified or discontinued within 120 days of receiving written notice from GHC and, at your sole cost and expense, will promptly begin using such additional, modified or substituted Marks. GHC has the right, but not the obligation, to take action against uses by others that may constitute infringement of the GHC's rights to the Marks or the System. You will cooperate with all reasonable requests for assistance by GHC in connection with any such actions.

Under the Franchise Agreement, you agree not to contest, directly or indirectly, GHC's ownership, title, right or interest in its Marks and System which are part of the GHC Business or contest GHC's sole right to register, use or license others to use such Marks or System. Any and all goodwill arising from your use of the Marks will inure solely and exclusively to GHC's benefit, and upon expiration or termination of this Agreement, no monetary amount will be assigned as attributable to any goodwill associated with your use of the System or the Marks. However, if you elect to sell the GHC Business as permitted by the Franchise Agreement, you have a right to sell Client lists developed by you, the Caregiver lists developed by you, other lists (as permitted by the Franchise Agreement), and the goodwill of your Franchise, as part of the sale of the Franchise as an operating business.

There are no superior prior rights or infringing uses actually known to GHC that could materially affect your use of such trademarks, service marks, trade names, logotypes or other commercial symbols in this state or any other state in which the Franchise business is to be located.

ITEM 14
PATENTS AND COPYRIGHTS & PROPRIETARY INFORMATION

We do not own any patents or registered copyrights that are material to the Franchise, nor do we have any such applications pending. However, GHC does own proprietary rights to the contents of the Operations Manual including all forms and materials used in the business systems. The Franchise Agreement requires you to acknowledge that, except as specifically described in the Franchise Agreement, your entire knowledge of GHC Services, which is derived from information disclosed to you by GHC pursuant to the Franchise Agreement, including business systems, referrals, and contacts included in Regional/National Contracts, manual, tactics, strategies, and materials; information about proprietary products; any proprietary software GHC has or may create, and the Operations Manual, are proprietary and confidential and a trade secret of GHC. We refer to this as "Confidential Information." Other information that has been developed by you, including Client information, Caregiver rosters, and referral sources is considered "Joint Confidential Information." GHC has established comprehensive security procedures to maintain the secrecy of all such proprietary information.

The Franchise Agreement further provides that: (1) GHC and you will fully and strictly adhere to all security procedures prescribed by GHC in its reasonable business judgment for maintaining the secrecy of such Confidential Information and Joint Confidential Information; (2) GHC and you will disclose Confidential Information to your office employees only to the extent necessary to market GHC's services and for the operation of the Franchise in accordance with the Franchise Agreement; (3) you will obtain a non-disclosure agreement from all internal office employees prior to hiring, and from all vendors that will have access to such Confidential Information and Joint Confidential Information; (4) you will not use any Confidential Information and Joint Confidential Information in any other business or in any manner not specifically authorized or approved in writing by GHC or expressly permitted by the Franchise Agreement; and (5) GHC and you will exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all Confidential Information during and after the term of the Franchise Agreement.

There are no agreements currently in effect that significantly limit the rights of GHC to use or license the use of the above-mentioned proprietary materials in any manner material to the Franchise. We are not required by the Franchise Agreement to defend you against any infringement, unfair competition or other claim respecting your use of any GHC proprietary material. There are no infringing uses actually known to GHC that could materially affect your use of our proprietary material in this state or any other state in which the Franchise business is to be located.

There is no other effective determination by the USPTO or any court or any pending material litigation involving proprietary material which is material to the Franchise. There are no known infringements, opposition or neither cancellation proceedings nor unsuccessful attempts to register of which GHC is currently aware.

We reserve the right to supplement, improve, or otherwise modify the Marks and/or System from time to time in our reasonable business judgment and consultation with GHC franchisees, and you must comply with all changes and any cost associated with changes required in your GHC Business operations will be yours alone. In the event of any conflict regarding the content of the Operations Manual, the Operations Manual posted on the intranet system will control.

Once in use by your GHC Business, all current and prior case/Client lists and files, phone and contact lists, Caregiver/resource files, Rolodex/file cards, computerized databases, records, software, etc. containing Client, Caregiver, or employee marketing and financial data of any type however developed or stored will be, become and remain our property at all times during and after the term of the Franchise Agreement or following expiration or termination of the Franchise Agreement for any reason; provided, however, that after expiration, termination, non-renewal, or sale, you will jointly own such records and Joint Confidential

Information to the extent necessary for compliance with law and for use in any non-competing business by you or your principals, subject to applicable privacy laws including HIPAA.

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

You must individually sign the Franchise Agreement. Spouses are also strongly encouraged to sign the Franchise Agreement. The Franchise Agreement expressly provides that, for the first 3 years of operation, you must directly supervise, manage and devote your full time and energies to the operation to the Franchise. Thereafter, or if you sign the Addendum to Agency Franchise Agreement for Existing Franchisees, we do not require you to participate personally in the direct operation of the Franchise, provided that the Franchise must at all times be under the direct supervision of a manager (who may be you) who has been approved by GHC, has been suitably trained to our satisfaction, devotes full time and effort to the management of the Franchise, and operates the Franchise in accordance with the Franchise Agreement. If the franchise is operated by a manager, such manager must have a 10% interest in the franchise. Permission to hire a particular manager will not be unreasonably withheld by us. The manager may not have any interest as an owner, employee, director, officer, salesperson, representative, agent, or in any other capacity in any other business competitive with us.

You agree to require each and every officer, director, general partner, owner, shareholder, member and/or managers of yours to sign GHC's then-current standard form Confidentiality & Non-Competition Agreement, the current form of which is attached as Attachment 5 to the Franchise Agreement, which provides that such individual will maintain the confidentiality of GHC's confidential information and will not directly nor indirectly compete with GHC within the territory, a radius of 20 miles of the territory, the territory of any other GHC franchisee, or within 20 miles of any existing franchise or company-owned office during the term of employment and for a 1-year period following the termination, by either party for any reason, of employee's employment with you.

You also must obtain from each and every full and/or part-time office employee a signed then-current version of the confidentiality & non-competition agreement, which provides that such employee(s) will maintain the confidentiality of GHC's confidential information, to neither directly nor indirectly compete with GHC during the term of employment and during the one-year period following any termination of employment, by either party for any reason. Such agreement, which will be in a form that we prescribe, will identify us as a third-party beneficiary to the agreement and give us independent enforcement rights.

Upon termination of the Franchise Agreement for any reason or the expiration and non-renewal of the Agreement, you have certain post-term obligations which are more fully explained in Section 17 of the Franchise Agreement.

If you assign your interest in the Franchise Agreement to a corporation, limited liability company, partnership, limited partnership or other corporate organization (an "Entity"), you and any other individual holding 5% or more of the ownership interest in the Entity (each, a "Principal") must remain personally liable in all respects under the Franchise Agreement and each Principal must execute on a form approved by GHC a personal guarantee and agreement not to sell, assign, pledge, mortgage or otherwise transfer, alienate or encumber his or her ownership interests in the Entity without GHC's prior written consent. You must have all Caregivers sign a standard Client non-interference, non-solicitation, non-disclosure agreement or understanding prior to being employed by the Franchise, if allowed by applicable law.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Currently, you must offer and sell all of the services that we require, and only the services which we authorize. You may not offer to sell or provide at or through the Franchise any products or services that GHC has not previously approved in writing. You may not offer any products or services which do not meet our standards and specifications. You are required to attain or surpass the yearly Annual Quota specified in the Franchise Agreement. The Services provided by the Franchise must be (a) provided in keeping with applicable federal, state, and local law; (b) must be limited to supplying personal care, homemaking, companion care, incidental transportation, and other ancillary, supportive services specifically approved by us; and (c) must be rendered under the GHC Marks only. Services authorized may change from time to time in your state if regulations applicable to your Franchise change or for other reasons. Nothing in this Item restricts you from providing non-competing services as a part of other businesses that do not use the GHC name or in your individual capacity.

We reserve the right to develop and establish other lines of businesses, products, and services which are not a part of the System, but which may be related to the System. Such additional products and services are not mandatory but may be offered to you on a voluntary basis. Whether your Franchise can offer these additional services will depend on your location, interest and/or the scope of licensures available in your state. Additional training and start up fees may be required, if we authorize you to offer these additional services. If we develop and franchise such additional services, and offer such franchise in your Territory, GHC will first offer to you the franchise rights prior to offering the rights to any other party. You may not expand your scope of service absent our prior written consent, which we have the right to withhold for any reason. See also Item 12.C under the subheading “Reserved Rights” and the Franchise Agreement.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the franchise term.	Section 2	Term is 10 years. If you sign the Addendum to Agency Franchise Agreement for Existing Franchisees because you are converting to the Agency Model, your term will also be 10 years. If you sign the Addendum for Existing Franchisees in connection with a renewal term of your Agency Model Franchise, you will receive a 5-year renewal term.
b. Renewal or extension of the term.	Section 2.2	You may renew the Franchise Agreement in 5-year increments, if not otherwise in default, at no additional cost.

c. Requirements for you to renew or extend.	Section 2.2	Provide written notice of your intent to renew within 75 days of receipt of notice of expiration of the term; not be in default under the Franchise Agreement or any other agreement with GHC; established and maintained a reputation for quality of Services which meets GHC standards; successfully pass periodic Quality Reviews; complete any incomplete trainings; if necessary, bring the franchise up to GHC's then-current reasonable standards; maintain and or refurbish any physical franchise premises, if any; sign GHC's then-current form of Franchise Agreement and meet the annual sales requirement. Our then-current form of Franchise Agreement may have materially different terms and conditions than your original contract.
d. Termination by you.	No provision	You do not have the contractual right to terminate the Franchise Agreement; provided, however you may terminate the Franchise Agreement under any grounds permitted by law.
e. Termination by GHC w/o cause.	No provision	Not applicable.
f. Termination by GHC w/cause	Section 15	We may terminate if you do not comply with all aspects of your Franchise Agreement and Operations Manual, among other causes.
g. "Cause" defined – curable defaults.	Section 15.2	We have the right to terminate the Franchise Agreement upon notice and a 30-day cure period for: failure to operate within 90 days of training completion; failure to deposit all Gross Receipts into your designated bank account on or before the due date for the weekly sales report; failure to make Minimum Performance payments or minimum General Marketing Fund contributions; failure to report incidents to GHC; failure to achieve your Annual Quota and pay the Shortfall Fee; failure to maintain adequate records; failure to successfully pass Quality Reviews or submit to GHC written plans of correction; failure to adhere to material provisions of the Franchise Agreement; failure to operate in accordance with any federal, state, county, or local laws; or misuse of Marks or confidential information.

h. "Cause" defined – non-curable defaults.	Section 15.1	Non-curable defaults include an assignment for benefit of creditors or files for bankruptcy; failure to operate the franchise; conviction of a felony; the unauthorized transfer or assignment of the franchise agreement or the Franchise; trademark misuse; material misrepresentations or misstatements on the franchise application or in connection with the renewal or assignment of the franchise agreement; the violation of the non-compete and/or confidentiality portions of Franchise Agreement; failure to operate the Franchise in accordance with any federal, state, county or local laws; if any governmental action is taken against you that results in any obligation upon GHC which in GHC's sole judgment is uneconomical, not in the best interests of GHC, or would result in GHC having an unintended relationship or obligation; or committing 3 curable defaults in 5 years.
i. Your obligations on termination/non-renewal.	Section 16.1	Obligations include: deposit all outstanding Gross Receipts into your designated bank account; return confidential information; turn over franchise records; complete de-identification with us; closure of any physical location if you have not otherwise turned your physical premises over to us for continued operation; and cessation of all operations, see also (r) below.
j. Assignment of contract by GHC.	Section 14.1	No restriction on our right to assign.
k. "Transfer" by you – defined.	Section 14.2	Assignment, sale, transfer or encumbrance of the Franchise Agreement, the Franchise or any ownership interest in the franchisee.
l. GHC's approval of your transfer.	Section 14.3	We have the right of first offer on the assignment, sale, or transfer of your Franchise. If we do not exercise that right of first offer, we will not unreasonably withhold approval for the assignment, sale, or transfer of your territory. Your buyer has to execute the then-current form of Franchise Agreement.
m. Conditions for our approval of your transfer.	Section 14.3	You must provide proper advance notice; you must be in compliance with the Franchise Agreement; the transferee must meet all of GHC's then-current franchisee standards and successfully complete our training; the transferee must purchase GHC's then current required point of sale software; you must sign a release; you must pay any outstanding debts; you must pay a transfer fee; the transferee must sign GHC's then-current form of franchise agreement; see also (r) below.

n. GHC's right of first offer to acquire your Franchise.	Section 14.5	In the event you propose to transfer the Franchise to any third-party (other than a corporation or limited liability company as set forth in Section 14.9 of the Franchise Agreement), you will first offer to sell such interest to us by setting forth the price, payment terms, and other material contract terms you will accept in a written letter of intent. GHC will then have the right and option, exercisable within 30 days after GHC receives the letter of intent, to notify you in writing that GHC intends to purchase the Franchise on the same terms and conditions contained in the letter of intent. If GHC exercises its option, closing will occur within 60 days after GHC notifies you of its intent to exercise its right of first offer.
o. GHC's option to purchase your personal property.	Section 16.4	We have an option to purchase any or all of your physical assets of the Franchise upon termination or expiration of the Franchise Agreement.
p. Your death or disability.	Section 14.7 and 14.8	If the Franchise is not under an agreement of sale within 6 months of your death, GHC will have the right to market the Franchise on behalf of the estate and the estate will be bound to accept any reasonable agreement of sale negotiated by GHC. If your disability prevents you from resuming active management of the Franchise within 2 weeks, and management acceptable to GHC has
		not been installed, you or your agent will notify GHC of a management plan, which must be acceptable to GHC, to assure the smooth operation of the Franchise for the duration of the disabled party's disability. At the end of 1-month, you must demonstrate to GHC that you will be able to resume active management of the Franchise within the next 2 months. If any of GHC's conditions (Section 14.9) are not met, GHC will have the right to market the Franchise on the same terms as provided in Section 14.7 of the Franchise Agreement.
q. Non-competition covenants during the term of the franchise.	Section 17.1	No participation in competing, same or similar business for term of the Franchise Agreement (subject to state law).
r. Non-competition covenant after the Franchise is terminated or expires.	Section 17.2	One-year non-competition within the territory, the territory of any other GHC franchisee, a radius of 20 miles from the territory, or 20 miles of GHC Businesses or company-owned offices open at the time of the termination or transfer of your Franchise Agreement (subject to state law).
s. Modification of the agreement.	Section 21.3.1	Only if in writing.

t. Integration/merger clause.	Section 21.2	Only the terms of Franchise Agreement are binding (subject to state law). Any representations or promises made outside of the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation.	Section 19.1, 19.2, and 19.3	GHC and you will provide notice of any claim or dispute with basis for such claim, along with proposed dates for both GHC and you to meet in person and to discuss such claim or dispute. If we fail to resolve such claim within 60 days of the notice, then either we or you may pursue mediation and arbitration (subject to state law). Prior to proceeding to arbitration, we or you will have the right to submit to mediation in Philadelphia, PA under the mediation rules of the American Arbitration Association then in effect. All disputes not resolved by negotiation or mediation, and not seeking emergency relief, are subject to arbitration in Philadelphia, PA. We and you will bear our own costs of arbitration and/or mediation, as applicable (e.g., lawyers, travel and similar expenses) and we and you must equally share arbitration expenses (e.g., arbitrator fee, room expense, and similar expenses).
v. Choice of forum.	Section 19.4.3	All lawsuits must be brought before the United States District Court for the Eastern District of Pennsylvania, except for GHC actions for injunctive relief (subject to state law). You consent to the personal jurisdiction and venue of the Eastern District of Pennsylvania.
w. Choice of law.	Section 21.8	Pennsylvania law applies (subject to state law).

ITEM 18
PUBLIC FIGURES

There is currently no compensation or other benefit given or promised to a public figure arising, in whole or in part, from the use of a public person in our name, logo or the Franchise, or the endorsement or recommendation of the Franchise by a public figure in advertisements. Use of public images, photos, names, articles, publications, content, etc. is only with GHC’s express written permission obtained in advance.

You have the right to use the name of a public figure in your promotional efforts or advertising *only* with our prior written approval. Any photo usage of clients or others for media opportunities must have written releases executed by such individuals or their respective guardians on file prior to usage.

There are no public figures involved in our actual management or control.

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

Background

This Item presents historical data relating to Gross Receipts reported by certain of our Agency Model franchisees (each, a "Franchised Location") and our Agency Model affiliate-owned outlets (each, an "Affiliate-Owned Location"). This data was collected from January 1, 2022 through December 31, 2022 (the "Measurement Period"). The Franchised Locations and Affiliate-Owned Locations included in this Item operate businesses substantially similar to the business being offered in this Franchise Disclosure Document. Because the Franchised Locations are granted the right to provide services in a specific territory rather than at a specific outlet or location, we refer to each outlet as a "territory" in this Item 19. The franchised territories included in this Item 19 have been divided into 2 groups: (a) territories operated by franchisees who only operate a single territory; and (b) territories operated by franchisees who operate multiple territories. We have not audited this information, nor independently verified the information received from franchisees.

Part I of this Item sets forth the Average, Median, high and low Gross Receipts earned by 47 Franchised Locations operating in a total of 92 territories during the entire Measurement Period. Excluded from Part I are 2 territories that opened during the 2022 calendar year.

Part II of this Item sets forth the Average, Median, high and low Gross Receipts earned by 18 Franchised Locations that each operate in a single territory. Excluded from Part II of are (i) 2 Franchised Locations that each operate in 1 Territory that opened during the Measurement Period, (ii) 18 Franchised Locations that each operate in two territories, (iii) seven Franchised Locations that each operate in three territories, (iv) 3 Franchised Locations that each operate in four territories, (v) one Franchised Location that operates in 5 territories, and (vi) seven Affiliate-Owned Locations operating in a total of 15 territories.

Part III of this Item sets forth the Average, Median, high and low Gross Receipts earned by 29 Franchised Locations that each operate in more than one territory, representing a total of 74 territories. Excluded from Part III of this Item are (i) 2 Franchised Locations that each operate in one territory that opened during the Measurement Period, (ii) 18 Franchised Locations that each operate in one territory, and (iii) seven Affiliate-Owned Locations operating in a total of 16 territories.

Part IV of this Item sets forth the Average, Median, high and low Gross Receipts earned by seven Affiliate-Owned Locations operating in a total of 16 territories. Excluded from Part IV of this Item are (i) 18 Franchised Locations that each operate in one territory,(ii) 2 Franchised Locations that each operate in one territory that opened during the Measurement Period, (iii) 18 Franchised Locations that each operate in two territories, (iv) seven Franchised Locations that each operate in three territories, (v) 3 Franchised Locations that each operate in four territories, (vi) one Franchised Location that operates in 5 territories, and (vii) 5 Franchised Locations that each operate in one territory that opened during the Measurement Period.

Part I: **Average, Median, High and Low Gross Receipts Earned by All Franchised Locations During the Measurement Period**

Number of Franchised Locations	Number of Territories	Average Gross Receipt	Median Gross Receipts	Highest Gross Receipts	Lowest Gross Receipts	Number and Percentage That Met or Exceeded the Average
47	92	$1,885,323	$1,335,239	$6,469,936	$188,645	17 or (36%)

The territories included in Part I have populations ranging between 76,503 and 1,736,094 with a Median population of 410,642. There were two locations excluded they were not open for the full 2022 calendar year.

Part II: **Average, Median, High and Low Gross Receipts Earned by Franchised Locations Operating in One Territory During the Measurement Period**

Number of Owners	Average Gross Receipt	Median Gross Receipts	Highest Gross Receipts	Lowest Gross Receipts	Number that Met or Exceeded the Average
18	$1,377,152	977,317	$4,279,059	$51,915	8 or (40%)

The territories included in Part II have populations ranging between 76,503 and 963,640 with a median territory population of 406,928. There were two locations excluded they were not open for the full 2022 calendar year.

Part III: **Average, Median, High and Low Gross Receipts Earned by Franchised Locations Operating in Multiple Territories During the Measurement Period**

Number of Owners	Number of Territories Owned	Average Gross Receipt	Median Gross Receipts	Highest Gross Receipts	Lowest Gross Receipts	Number that Met or Exceeded the Average
1	5	$4,969,661	$4,969,661	$4,969,661	$4,969,661	1 or 100%
3	4	$3,350,002	$3,672,983	$3,791,452	$2,585,571	2 or 67%
7	3	$1,749,254	$1,255,291	$3,369,333	$854,576	2 or 29%
18	2	$2,321,953	$1,757,070	$6,469,936	$196,103	6 or 38%

The territories included in Part III have populations ranging between 121,207 and 1,736,094 with a median territory population of 413,926.

Part IV: **Average, Median, High and Low Gross Receipts Earned by Affiliate-Owned Locations During the Measurement Period**

Affiliate-Owned Location	Number of Territories	Total Gross Receipts	Gross Margin
1	2	$4,072,314	45.1%
2	5	$3,207,171	45.9%
3	4	$2,077,432	34.6%
4	2	$1,605,919	45.9%
5	1	$1,632,724	43.5%
6	1	$772,579	43.9%
7	1	$525,367	40.3%
Average	**$124,049 (Gross Receipts per Territory)**	**$1,984,787**	**45.5%**
Median	**$102,045 (Gross Receipts per Territory)**	**$1,632,724**	**46.2%**

The territories included in Part IV have populations ranging between 295,393 and 2,159,677.

General Notes to Item 19:

1. "Gross Receipts" is defined as the aggregate of all monies received by a franchisee as a result of the provision of all Services and goods provided by the franchise during the preceding reporting period. Gross Receipts does not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts does not include Client reimbursements to franchisee for actual expenses (e.g. mileage) paid by franchisee on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill.

2. The term "Average," which is also known as the "mean," means the sum of all data points in a set, divided by the number of data points in that set.

3. The term "Median," means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

4. The term "Gross Margin," means total sales divided by caregiver pay.

5. The information in this Item 19 does not contain any information concerning the operating costs and expenses (other than gross margin) that you will incur in operating your franchised business. We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. We strongly suggest that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a franchised business.

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

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

Other than what is represented in this Item 19, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brian Hill at 510 East Township Line Road, Suite 210, Blue Bell, PA 19422 or 215-987-4878; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

In 2016 we began offering franchises for new Agency Business Model outlets. Many existing Registry Business Model franchisees have been or will be offered the opportunity to formally convert to the Agency Business Model, and some have already done so. In this Item 20, we separately identify those outlets operating under the Registry Business Model and the Agency Business Model (the franchise offering described in this Franchise Disclosure Document). An outlet that converted from the Registry Business Model to the Agency Business Model is listed as having "ceased operations" in the Registry Model tables, and as having "opened" in the Agency Model table.

Outlet Summary for Agency Model Businesses

Since 2012, certain franchisees that signed Registry Business Model franchise agreements have operated their franchises under the Agency Business Model. In this Item 20, each Agency Business Model outlet is listed as "opened" as a Agency Business Model outlet based on when it began operation under the Agency Business Model.

Table 1a
System-wide Outlet Summary
Agency Model Outlets For
years 2020-2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	92	89	-3
	2021	89	93	+4
	2022	93	94	+1
Company-Owned	2020	14	14	0
	2021	14	15	+1
	2022	15	16	+1
Total Outlets	**2020**	**106**	**103**	**-3**
	2021	**103**	**108**	**+5**
	2022	**108**	**110**	**+2**

Table 2a
Transfers of Agency Model Outlets
from Franchisees to New Owners (Other than the Franchisor)
For years 2020-2022

State	Year	Number of Transfers
Colorado	2020	0
	2021	0
	2022	2
Delaware	2020	0
	2021	0
	2022	1
Texas	2020	1
	2021	0
	2022	3
Totals	**2020**	**1**
	2021	**0**
	2022	**6**

Table 3a
Status of Agency Model Franchised Outlets For years 2020-2022

State	Year	Outlets at Start of Year	Outlets Opened*	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Arizona	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
California	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Colorado	2020	8	0	0	2	0	2	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Connecticut	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Delaware	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Georgia	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Hawaii	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

	2022	0	0	0	0	0	0	0
Kansas	2020	2	0	0	0	0	2	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Louisiana	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1*	0	0	0	0	1
Maryland	2020	4	0	0	0	0	0	4
	2021	4	1*	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Massachusetts	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2020	7	0	0	0	0	0	7
Michigan	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
Minnesota	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Missouri	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
New Jersey	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
North Carolina	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
Ohio	2020	4	2	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	1	0	0	5
Oklahoma	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Pennsylvania	2020	5	0	0	0	0	0	5
	2021	5	1	0	0	1	0	5
	2022	5	0	0	0	0	0	5
South Carolina	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Tennessee	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2020	16	1	0	0	0	0	17

Texas	2021	17	2	0	0	0	0	19
	2022	19	1	0	0	0	0	20
Vermont	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Virginia	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
Totals	**2020**	**92**	**3**	**0**	**2**	**0**	**4**	**89**
	2021	**89**	**5**	**0**	**0**	**1**	**0**	**93**
	2022	**93**	**3**	**0**	**1**	**1**	**0**	**94**

* An outlet that converted from the Registry Model to the Agency Model will be listed as having "ceased operations" in the Registry Model table (Table 3b), and as having "opened" in this Agency Model table (Table 3a).

** These two outlets were transferred, together, from one franchisee to another existing franchisee, in 2019, and were both converted from Registry Model to Agency Model. They are listed in this Table 3a as having "opened," in the Registry Model table (Table 3b) as having "ceased operations," and in the Transfers of Registry Model Outlets table (Table 2b) as transfers.

Table 4a
Status of Agency Model Company-Owned Outlets For years
2020-2022

State	Year	Outlets at Start of Year	Outlets Opened*	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Maryland	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
New Jersey	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
Pennsylvania	2020	8	0	0	0	0	8
	2021	8	0	1	0	0	9
	2022	9	1	0	0	0	10
Totals	**2020**	**14**	**0**	**0**	**0**	**0**	**14**
	2021	**14**	**0**	**1**	**0**	**0**	**15**
	2022	**15**	**1**	**0**	**0**	**0**	**16**

* An outlet that converted from the Registry Model to the Agency Model will be listed as having "closed" in the Registry Model table, and as having "opened" in the Agency Model table.

Table 5a
Projected Openings of Agency Model Outlets As of December 31, 2022

State	Franchise Agreement Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In The Next Year
California	2	2	0
Hawaii	1	1	0
Totals	**3**	**3**	**0**

Outlet Summary for Registry Model Businesses

Table 1b
System-wide Outlet Summary
Registry Model Outlets
For years 2020-2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	79	77	-2
	2021	77	72	-5
	2022	72	68	-4
Company-Owned	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Total Outlets	**2020**	**79**	**77**	**-2**
	2021	**77**	**72**	**-5**
	2022	**72**	**68**	**-4**

Table 2b
Transfers of Registry Model Outlets
from Franchisees to New Owners (Other than the Franchisor)
For years 2020-2022

State	Year	Number of Transfers
Florida	2020	0
	2021	0
	2022	1
Pennsylvania	2020	0
	2021	1
	2022	0
Totals	**2020**	**0**
	2021	**1**
	2022	**1**

Table 3b
Status of Registry Model Franchised Outlets
For years 2020-2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Reacquired by Franchisor	Ceased Operations Other Reasons*	Outlets at End of the Year
California	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Florida	2020	19	0	0	0	0	0	19
	2021	19	0	0	0	0	0	19
	2022	19	0	0	2	0	0	17
Illinois	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Indiana	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Iowa	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Louisiana	2020	3	0	0	0	0	0	3
	2021	3	0	0	2	0	0	1
	2022	1	0	0	0	0	1*	0
Maryland	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
Missouri	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
New Jersey	2020	12	0	0	0	0	0	12
	2021	12	0	0	0	0	0	12
	2022	12	0	0	0	0	0	12
New York	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	0	1	0	0	0	9
North Carolina	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
North Dakota	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2020	6	0	0	0	0	0	6

Ohio	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Pennsylvania	2019	5	0	0	0	0	0	5
	2020	5	0	1	0	0	1	3
	2021	3	0	0	0	0	0	3
South Carolina	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Washington	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	**2020**	**79**	**0**	**0**	**0**	**0**	**2**	**77**
	2021	**77**	**0**	**1**	**2**	**0**	**2**	**72**
	2022	**72**	**0**	**1**	**2**	**0**	**1**	**68**

* An outlet that converted from the Registry Model to the Agency Model will be listed as having "ceased operations" in this Registry Model table (Table 3b) and as having "opened" in the Agency Model table (Table 3a).

** These two outlets were transferred, together, from one franchisee to another existing franchisee, in 2019, and were both converted from Registry Model to Agency Model. They are listed in this Table 3b as having "ceased operations," in the Agency Model table (Table 3a) as having "opened," and in the Transfers of Registry Model Outlets table (Table 2b) as transfers.

Table 4b
Status of Registry Model Company-Owned Outlets
For years 2020-2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed*	Outlets Sold to Franchisees	Outlets at End of Year
Totals	**2020**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**

Table 5b
Projected Openings of Registry Model Outlets
As of December 31, 2022

State	Franchise Agreement Signed But Outlet Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In The Next Fiscal Year
All States	0	0	0
Totals	**0**	**0**	**0**

A list of the names, addresses and telephone numbers of our franchisees operating under the Agency Business Model as of December 31, 2022, is attached to this Disclosure Document as Exhibit E.

A list of the names, cities and states and last known business telephone numbers (or, if unknown, home telephone number) of every franchisee operating under the Agency Business Model who has had a franchise agreement terminated, transferred, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document, is attached at the end of Exhibit E. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In the last 3 fiscal years, franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all franchisees will be able to communicate with you.

There is an unincorporated council of franchisees (the "Franchise Advisory Council" or "FAC"), elected by their peers, which assists in facilitating idea exchange and communications between franchisees and GHC and provides input concerning the distribution of General Marketing Fund expenditures; your participation in or cooperation with that council is not currently required. GHC reserves the right to form, change or dissolve the FAC.

The following independent franchisee organization has asked to be included in this Disclosure Document (see also Item 11.D under the subheading "Consultation with Franchisees"):

Griswold Home Care Franchisee Association (GHCFA)
Board of Directors
an affiliated chapter of the American Association of Franchisees & Dealers
P.O. Box 10158
Palm Desert, CA 92255-1058,
Phone: (619) 209-3775
Fax: (866) 855-1988
GHCFA@aafdchapters.org

ITEM 21
FINANCIAL STATEMENTS

Exhibit F of this Franchise Disclosure Document contains our audited financial statements for our fiscal years ended January 1, 2023, January 2, 2022, and December 31, 2020, as well as our unaudited balance sheet and profit and loss statement as of May 31, 2023.

ITEM 22
CONTRACTS

The following contracts are attached to this Franchise Disclosure Document in the following order:

1. Franchise Agreement (Exhibit B-1)
2. Addendum to Agency Franchise Agreement for Existing Franchisees that Signed On or After January 1, 2018 (Exhibit B-2)
3. Addendum to Agency Franchise Agreement for Existing Franchisees that Signed Before January 1, 2018 (Exhibit B-3)
4. Collateral Assignment of Lease/Consent and Agreement of Lessor (Exhibit B-4)

5. Conditional Assignment of Franchisee's Telephone Number (Exhibit B-5)
6. Sample Mutual Termination and Release Agreement (Exhibit G)
7. Franchisee Disclosure Questionnaire (Exhibit H)
8. Assignment and Assumption Agreement (Exhibit I)

ITEM 23
RECEIPTS

Attached to this Disclosure Document as Exhibit K are 2 copies (a copy for you and a copy for us) of a document acknowledging your receipt of the Disclosure Document. You may return one executed hardcopy or utilize the electronic signature option through which the document was delivered.

EXHIBIT A

STATE ADMINISTRATORS & AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS

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

CALIFORNIA Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7500	**MICHIGAN** Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117
HAWAII Department of Commerce & Consumer Affairs Commissioner of Securities of the State of Hawaii Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	**MINNESOTA** Commissioner of Commerce Minnesota Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 296-6328
ILLINOIS Office of Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4436	**NEW YORK** New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8236 Phone (212) 416-6042 Fax
INDIANA Franchise Section Indiana Securities Division Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681	**NORTH DAKOTA** North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712
MARYLAND Maryland Securities Division Franchise Examiner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-7042	**RHODE ISLAND** Division of Business Regulation Division of Securities 1511 Pontiac Avenue John O. Pastore Complex-69-1 Cranston, Rhode Island 02920-4407 (401) 462-9527

SOUTH DAKOTA South Dakota Dept. of Labor & Regulation Division of Insurance - Securities Regulation 124 S. Euclid Suite 104, 2nd Floor Pierre SD 57501 (605) 773-3563	**WASHINGTON** Administrator Department of Financial Institution Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051	**WISCONSIN** Franchise Administrator Division of Securities Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-2801

AGENTS FOR SERVICE OF PROCESS

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

CALIFORNIA Commissioner – Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, California 95834	**INDIANA** Indiana Secretary of State 201 State House Indianapolis, Indiana 46204
HAWAII Commissioner of Securities State of Hawaii 335 Merchant Street, Room 203 Honolulu, Hawaii 96813	**MARYLAND** Commissioner of the Division of Securities 200 Saint Paul Place Baltimore, Maryland 21202-2020
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706	**MINNESOTA** Commissioner of Commerce 85 Seventh Place East, Suite 280 St. Paul, Minnesota 55101
NEW YORK New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492	**VIRGINIA** Clerk, State Corporation Commission P.O. Box 1197 Richmond, Virginia 23219

NORTH DAKOTA Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Dept 414 Bismarck, ND 58505-0510 (701) 328-4712	**WASHINGTON** Administrator of Securities Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
RHODE ISLAND Director of Business Regulation 1511 Pontiac Avenue John O. Pastore Complex-69-1 Cranston, Rhode Island 02920-4407	**WISCONSIN** Commissioner of Securities Office of the Commissioner of Securities 201 W. Washington Ave., 3rd Floor Madison, Wisconsin 53703
SOUTH DAKOTA Director of Division of Securities South Dakota Dept. of Labor & Regulation Division of Insurance - Securities Regulation 124 S. Euclid Suite 104, 2nd Floor Pierre SD 57501 (605) 773-3563	

EXHIBIT B-1

FRANCHISE AGREEMENT

YOUR NAME HERE

NAME OF TERRITORY HERE

FRANCHISE AGREEMENT

Agency MODEL

Home Care Agency

Griswold HOME CARE

TABLE OF CONTENTS

GRISWOLD HOME CARE®

F R A N C H I S E   A G R E E M E N T

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into on the date on the signature page (the "Effective Date"), by and between Griswold International, LLC, a Delaware limited liability company ("Franchisor" or "GHC"), and the adult individual(s) named on the signature page ("Franchisee"):

RECITALS

A. GHC has developed and continues to refine a proprietary business system (the "System") for Franchisees to identify people in need of assistance and provide them with carefully screened, licensed, insured, bonded and credentialed individuals ("Caregivers"), who provide personal care, home-making, companion care, incidental transportation, and other ancillary, supportive services (collectively, the "Caregiver Services") to care recipients ("Care Recipients"). Franchisees also provide consultation to Clients and/or Care Recipients with respect to home care services consistent with the Business Model approved in the Franchisee's Territory, and in accordance with applicable law; such identification, recruitment, placement, facilitation, and/or consultation comprise the Franchisee services (the "Franchisee Services"). Caregiver Services and Franchisee Services are referred to collectively as the Services (the "Services").

B. GHC is the owner of certain rights and interests in and to the "GRISWOLD HOME CARE" name and such other trademarks, trade names, service marks, logos, insignia, trade dress, and designs now existing and which may be designated for use in the future (the "Marks").

C. GHC grants qualified persons the right to open, own, and operate franchised businesses offering the Services and using the Systems and Marks within a designated territory (each, a "GHC Business").

D. Franchisee desires to own and operate a Franchise and provide Franchisee Services under the Marks and the Systems in an identified geographic area under the terms and conditions of this Agreement.

E. Franchisee and GHC mutually acknowledge our shared commitment to promote the Marks and enhance customer goodwill toward the network of GHC Businesses operating under the Marks and System, by strengthening and growing the network of GHC Businesses operating under the Marks and System and dedicated to maintaining the dignity, comfort, safety, personal hygiene, well-being, and happiness of each and every Care Recipient we serve and by placing the highest quality professional Caregivers (the "Common Mission"). GHC and Franchisee each acknowledge that the success of this Common Mission is dependent on GHC and our franchisees working together in a spirit of mutual respect and cooperation. In furtherance of the Common Mission, the provisions of this Agreement are premised on the following guiding principles (the "Guiding Principles"): Franchisee should respect GHC's ownership of the System, including the

Marks, trade secrets, Confidential Information, and the associated goodwill, and GHC's rights to determine the nature and quality of the products and services sold under the Marks, to control the manner in which the Marks are used and to enforce System standards. GHC should respect Franchisee's ownership interest in the going concern value of the Franchise, the investment in the Franchise made by Franchisee, and the Franchisee's interest in a long-term durable relationship.

AGREEMENT

NOW THEREFORE, in consideration of the promises and the commitments in this Agreement, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows:

1. GRANT; TERRITORY

1.1 GRANT OF FRANCHISE. GHC grants Franchisee the right to own and operate a Franchise (the "Franchise"), using the Marks and the System, under the terms and conditions in this Agreement. Franchisee accepts and undertakes the obligation, under the terms and conditions in this Agreement: (1) to establish and operate the Franchise under the Business Model selected within the Territory, as identified on Attachment 2 ("Territory"); and (2) to use the Marks (as GHC may update and/or replace them from time to time) and System.

1.2 TERRITORY. During the term of this Agreement, except as otherwise provided for in this Section, GHC agrees that it will not establish a GHC-owned business, or license any other person, other than Franchisee or Franchisee's Principals, to establish and operate another Franchise authorized to provide Franchisee Services within Franchisee's Territory. The Territory's name (the "Territory Name") is designated in Attachment 2 and cannot be changed without GHC's prior written consent. The Territory Name will be agreed upon at signing of the Franchise Agreement and will be used for all subsequent purposes.

1.3 RESERVATION OF RIGHTS. Except as specified in Section 1.2 hereof, the license of the Marks and System granted to Franchisee hereunder is nonexclusive and GHC retains the right, among others:

1.3.1 to use the Marks and System itself in connection with selling products and Services, provided that such use is not competitive with the Franchisee Services;

1.3.2 to grant consent to another franchisee or company-owned office to provide other types of services, which are not the same as the Franchisee Services, under different trademarks within or outside the Territory;

1.3.3 to operate and/or license others to operate franchised or company-owned offices outside of Franchisee's Territory;

1.3.4 to develop and establish other lines of businesses, products, and services which are not a part of the System, but which may be related to the System, using similar proprietary marks (other than "Griswold Home Care") and business systems, or any other proprietary marks, and to grant franchises thereto. GHC acknowledges and agrees that, in the event Franchisee is operating a business offering products or services to be offered by GHC's new franchise offering, Franchisee will have the right to continue in such business. GHC acknowledges that it will not seek to convert any acquired home care business to the Marks in Franchisee's Territory; and

1.3.5 to develop other products, services, or technologies related to the System and using the "Griswold Home Care" marks within or outside the Territory. In the event that GHC develops such products, services, or technologies, and markets them and generates revenues from them in the Territory, it will discuss sharing a portion of such revenues with Franchisee in its Reasonable Discretion with Consultation with the franchisee representative group as defined in Section 18.2.

1.4 *PROVISIONS OF FRANCHISEE SERVICES IN TERRITORY*. Franchisor and Franchisee agree that:

1.4.1 Franchisee shall provide Franchisee Services to Clients and Care Recipients whose principal residence is in the Territory, including to such Care Recipients that require initial services at an acute facility located outside of the Territory (e.g., hospital, rehabilitation facility);

1.4.2 Franchisee will not facilitate the provision of Caregiver Services to Care Recipients whose principal residence is outside of the Territory (regardless of where the Services would be initiated or where the Services are requested to be delivered) unless: (a) the Care Recipient's principal residence in an area within the state where the Territory is located, which is not assigned to any franchisee (the "Unassigned Territory"); provided, however, that GHC reserves the right to re-assign these Care Recipients if the Unassigned Territory subsequently becomes part of another franchisee's territory; and further provided that Franchisee's right to service the Care Recipient shall terminate if Franchisee does not facilitate the provision of Caregiver Services to the Care Recipient for a period of three (3) months; (b) GHC receives a request on behalf of a Care Recipient whose principal residence is outside the Territory requesting a reassignment to a different GHC Business; or (c) Franchisee's existing Care Recipient moves his or her principal residence to a territory assigned to another franchisee (provided that Franchisee's right to service the Care

Recipient shall terminate if Franchisee does not facilitate the provision of Caregiver Services to the Care Recipient for a period of three (3) months); and

1.4.3 In the event that Franchisee is facilitating the provision of Caregiver Services to a Care Recipient whose principal residence is in another franchisee's territory as provided in Section 1.4.2, or as otherwise approved by GHC or any impacted franchisee, Franchisee must have GHC's written approval or written documentation from the Franchisee owning the impacted Territory authorizing the servicing of the Care Recipient.

1.4.4 GHC reserves the right, in connection with the assignment or reassignment of any

Care Recipient to:

1.4.4.1 Assign or reassign any Care Recipient whose principal residence is within the Territory who requests to be reassigned to another franchisee or a company-owned office for good cause (other than pricing or Business Model);

1.4.4.2 Consent to another franchisee or company-owned office to facilitate the provision of Caregiving Services to a Care Recipient whose principal residence is in the Territory for good cause (other than pricing or Business Model), unless there is at least a three -month gap in service (in which event the Care Recipient shall revert and be serviced by the franchisee or company-owned office in which the Care Recipient resides); or

1.4.4.3 Allocate to other franchisees and/or company-owned offices any and all Regional/National Contracts (described in Section 1.5) in the event Franchisee declines to service such contract, is unable or unwilling to perform under the contract, or is otherwise in default of this Agreement.

1.4.5 In the event Franchisee is unable to supply an appropriate Caregiver for a Care Recipient whose principal residence is within the Territory, Franchisee agrees to refer for coverage, in a timely manner, the Care Recipient to the franchise or company-owned office nearest the Care Recipient's principal residence. (It is understood that similar referrals may be made to Franchisee from other franchised or company-owned offices for similar reasons.) In this event, fees paid shall be attributable to the revenues of the franchise or company-owned office servicing the Care Recipient. Furthermore, that franchise or company-owned office will continue to have the option of providing Services to that Care Recipient as long as that franchise or company-owned office is able to supply a suitable Caregiver and there is no more than a three (3) month gap in Services by that franchised or company-owned office.

1.4.6 As provided for in Section 1.4.2, the parties agree that Franchisee shall be allowed to provide Services to Care Recipients residing within an Unassigned Territory at its own risk. If such Unassigned Territory is subsequently assigned by GHC to another GHC Business, Franchisee shall not provide Services to any new or additional Care Recipients whose principal residence is in the territory. Franchisee shall be allowed to continue to provide Service to Care Recipients currently being served in the Unassigned Territory until a three (3) month gap in service occurs, whereupon the Care Recipient(s) and a full legible set of records shall be turned over to the franchisee to which the Unassigned Territory has been subsequently assigned. This paragraph shall not be construed to limit in any fashion GHC's ability to assign territories.

1.4.7 Franchisee acknowledges that:

1.4.7.1 territories shall be assigned by GHC in its discretion (and without liability or any assurances as a result thereof);

1.4.7.2 cross state border coverage is customarily prohibited by applicable state law; and

1.4.7.3 territory coverage may also be affected by licensure or regulatory body rules.

1.5 *REGIONAL/NATIONAL CONTRACTS*. GHC, although under no obligation to do so, may negotiate and enter into national or regional contracts with third-party payer, large scale or multi-territory referral contracts (the "Regional/National Contracts") that afford all GHC offices, among other things, an expanded referral network and Client base. Franchisee must refer all prospective Regional/National Contract opportunities to GHC. Franchisee expressly authorizes GHC to enter into Regional/National Contracts and agrees to be bound by the terms of such contracts. Franchisee must service any Regional/National Contract Care Recipients whose principal residence is in the Territory in accordance with the procedures set forth in the GHC operations manual (the "Operations Manual") or in periodic memoranda provided by GHC. In the event that Franchisee is in default of his or her obligations under this Franchise Agreement, or is otherwise unable or unwilling to comply with any of the terms of a Regional/National Contract, GHC shall have the right, in its Reasonable Discretion, to contract with another GHC Business or company-owned office operating under the Marks and System to provide such Services to the Regional/National Contract Client whose principal residence is within the Territory on the terms and conditions contained in the Regional/National Contract. To the extent GHC has Regional/National Contracts, GHC will provide incentive programs from time to time to reward franchisees for referring prospective Regional/National Contracts. GHC will use its best efforts to assist franchisees that refer prospective Regional/National Contracts.

1.6 *SUPPLEMENTAL STAFFING OR MEDICAL SERVICES.* Franchisee acknowledges and expressly understands and agrees that Franchisee may offer, sell or perform, under the Marks, supplemental staffing services, or refer others to perform any services of a medical nature, within the Territory so long as Franchisee complies with all laws and regulations.

1.7 *CHANGES TO THE SYSTEM*. Franchisor has the right to supplement, improve, or otherwise modify the Marks and/or System from time to time in its Reasonable Discretion with Consultation, and Franchisee must comply with all changes. Should a proposed change to the System involve a change to the Franchisee's Business Model based on state law, the parties hereto may agree on such Business Model change. If the parties hereto disagree as to the necessity of such a change in Business Model under state law, the parties will obtain, at their own expense, legal opinions that support their position and then promptly meet in person to resolve any differing opinions about the necessity of such a change in Business Model. If the parties still cannot agree on Business Model after such meeting, either of the parties may submit to the dispute resolution process described in Section 19 of this Agreement. In any case, if Franchisee changes its Business Model, Franchisee agrees that it must indemnify Franchisor as set forth in Section 13.2 of this Agreement.

2. TERM & RENEWALS

2.1 *INITIAL TERM*. The term of this Agreement is for a period of ten (10) years from the Effective Date.

2.2 *RENEWAL TERMS*. Franchisee may renew its Franchise for five (5) year renewal terms, if in compliance with the following conditions in this Section 2.2. There is no fee associated with renewing the Franchise Agreement. GHC agrees to give Franchisee six (6) months' notice of the Expiration of this Agreement. To be eligible to renew its Franchise, Franchisee must:

2.2.1 Provide GHC with written notice of its intent to renew the Franchise within seventy-five (75) days of receipt of notice of Expiration of the franchise term. GHC shall tender a renewal agreement to Franchisee prior to the Expiration date of this Agreement. Following tender of a renewal agreement, and applicable federal or state mandated disclosure documents, Franchisee shall have 30 days, or such reasonable extensions while negotiations are ongoing and in good faith, to review and negotiate acceptable renewal terms;

2.2.2 Not be in default under this Agreement or any other agreement with GHC or its affiliates or vendors;

2.2.3 Have established and maintained a reputation for quality of Services which meets the existing standards of GHC as outlined in the Manuals (which are defined in Section 3.2 hereof) and in keeping with the Common Mission as described in the Recitals;

2.2.4 Have successfully and routinely passed periodic Quality Reviews by GHC for adherence to all material requirements of the Manuals, Franchise Agreement, and all applicable regulations;

2.2.5 Complete any new training requirements not yet completed;

2.2.6 At Franchisee's reasonable expense and if necessary in GHC's sole opinion, bring the Franchise up to GHC's then-current reasonable standards for a Franchise, including installation or upgrade of computer hardware and software; and

2.2.7 Execute a then-current form of Franchise Agreement and all other agreements and documents then customarily used by GHC in the granting or renewal of Franchises.

2.3 *NON-RENEWAL*.

2.3.1 Franchisee's failure or refusal to provide notice of intent to renew or to execute GHC's renewal agreements as provided in Section 2.2.1 above shall be deemed an election by Franchisee to not renew the Franchise;

2.3.2 If Franchisee does not satisfy all of the provisions of Section 2.2 above, GHC may elect not to renew. In such event, GHC shall provide written notice thereof to Franchisee; and

2.3.3 In the event of any non-renewal of this Agreement on the terms described in this Section 2 for any reason, Franchisee shall, by the Expiration date of this Agreement, as it may be extended by this Agreement, or the agreement of the Parties, cease operating the Franchise and comply with Section 16 hereof or have Transferred the Franchise as provided in Section 14 hereof.

3. GHC'S DUTIES

3.1 *TRAINING.* GHC will provide to Franchisee up to ten (10) days of initial HomeCare

Academy® training at GHC's corporate headquarters or other location designated by GHC and which may include virtual training by video conference or teleconference. Should Franchisee elect to explore or transition to a new Business Model, GHC shall provide sufficient training to Franchisee or Franchisee's employed manager as reasonably necessary to support such exploration and transition.

3.2 MANUAL. GHC will loan franchisee a copy of GHC's Operations Manual and the state compliance manual ("State Compliance Manual") and any other manual (collectively, the "Manuals"), and will provide Franchisee with updates to the Manuals from time to time.

3.3 ASSISTANCE. GHC will provide franchisee with such assistance as GHC deems necessary for franchisee to comply with applicable state and/or local licensing requirements.

3.4 FORMS AND MATERIALS. GHC will have branded business forms, brochures, business cards, and descriptive and or promotional literature and operational forms available for Franchisee's purchase at Franchisee's sole expense. All such materials will be provided in English, and Franchisee shall be responsible for all shipping and handling costs. GHC will not deny Franchisee the right to have forms accurately translated for any area, region, or state, at Franchisee's sole expense.

3.5 GENERAL MARKETING FUND. GHC will market the System through the General Marketing Fund as described in Section 12 hereof. GHC may conduct advertising/marketing in any format it deems appropriate, including for instance, but not limited to, national print, television, and/or electronic media. GHC may make advertising and promotional materials available to Franchisee that are developed internally, by an outside advertising professional, and/or franchisees.

3.6 GHC ADVICE. *GHC* will designate one or more persons who will be available at reasonable times to render advice to and consult with Franchisee, upon reasonable and timely request, as to Client relationships, sales and marketing, and the conduct of Franchisee's business.

3.7 FRANCHISE OPERATIONS REVIEW. GHC will monitor and review franchise operations in order to determine compliance with the Manuals and this Agreement.

3.8 PUBLIC RELATIONS. GHC will monitor and assist in Franchisee's maintenance of positive public relations with its clientele including, but not limited to, Clients, Care Recipients, referral sources, and the Caregivers that Franchisee may refer.

3.9 MEETINGS. GHC will provide annual meetings and/or conferences among franchisees and other teleconferences, additional training, and refresher training for franchisees. Franchisee shall be required to pay the then-current annual fee in connection with such meetings and/or conferences.

3.10 BRAND STANDARDS. GHC will issue Brand Standards for any products or supplies that display the Marks as GHC determines in its Reasonable Discretion. Such Brand Standards will not dictate which vendor is to be used, so long as the standards are met.

3.11 LEGAL DEVELOPMENTS. GHC will use best efforts to remain current on legal and other developments in the industry in which the Services are offered, and promptly advise Franchisee of any changes that may affect the Franchise or such business.

3.12 CLIENT SATISFACTION SURVEYS. Where required by state law as described in the State Compliance Manual, GHC, itself or through its designated vendor, may periodically assist Franchisee to maintain high quality standards through Client and Care Recipient satisfaction surveys, reviews, interviews, and other similar initiatives.

4. FEES

4.1 INITIAL FRANCHISE FEE. Franchisee agrees to pay GHC the initial franchise fee identified on Attachment 3 (the "Initial Franchise Fee"). The Initial Franchise Fee must be paid on Franchisee's execution of this Agreement. The Initial Franchise Fee is non-refundable in consideration of GHC's administrative and other expenses in granting the Franchise and for GHC's deferred opportunity to offer the Franchise to others.

4.2 ROYALTY. Franchisee agrees that:

4.2.1 In addition to the Initial Franchise Fee, in consideration of GHC's granting Franchisee the Franchise and the ongoing services to be provided to Franchisee, Franchisee shall pay GHC a weekly royalty (the "Royalty") for goods and services provided hereunder. The Royalty shall be in an amount equal to four percent (4%) of the Franchise's Gross Receipts (defined below). Starting in the second calendar year after the Opening Date of the Business, Franchisee must pay the greater of (i) four percent (4%) of Franchisee's Gross Receipts, or (ii) $100 per week (the "Minimum Performance Requirement").

4.2.2 Starting in the second calendar year after the Opening Date, Franchisee is required to achieve certain annual minimum sales quotas ("Annual Sales Performance Metric") as set forth in the table below:

Calendar Year	**Annual Sales Performance Metric**	**Annual Royalty**
First Calendar Year	N/A	N/A
Second Calendar Year	$150,000	$6,000
Third Calendar Year	$250,000	$10,000
Fourth Calendar Year	$300,000	$12,000
Fifth Calendar Year	$350,000	$14,000
Sixth Calendar Year	$400,000	$16,000
Seventh Calendar Year	$450,000	$18,000
Eighth Calendar Year	$500,000	$20,000
Ninth Calendar Year	$550,000	$22,000
Tenth and Each Subsequent Calendar Year	$600,000	$24,000

If Franchisee fails to achieve its Annual Sales Performance Metric, then Franchisor may, in its Sole Discretion, demand that Franchisee pay a shortfall fee. The shortfall fee is calculated by taking the Annual Royalty set forth in the table above and subtracting from that amount the amount Franchisee paid in royalties during the applicable calendar year. The difference between Franchisee's Annual Royalty and the amount Franchisee paid in royalties during the applicable calendar year is the shortfall fee ("Shortfall Fee").

Franchisor will have 180 days after the end of each calendar year to demand payment of the Shortfall Fee. Franchisee will have 30 days after the date it receives Franchisor's demand to pay the Shortfall Fee. Failure to pay the Shortfall Fee is a default of this Agreement.

4.2.3 After the second calendar year after the opening date, in the event that the four percent (4%) of Franchisee's Gross Receipts does not meet the Minimum Performance Requirement in any week, Franchisee is responsible for paying the Minimum Performance Requirement;

4.2.4 "Gross Receipts" is defined as the aggregate of all monies received by Franchisee as a result of the provision of all Services and goods provided by the Franchise during the preceding reporting period. Gross Receipts does not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts does not include Client reimbursements to Franchisee for actual expenses (e.g. mileage) paid by Franchisee on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill;

4.2.5 Franchisee will be required to establish a designated bank account which shall be used exclusively for the depositing of all Gross Receipts. Franchisee shall send GHC weekly sales reports of Franchisee's Gross Receipts for the prior week as required under Section 11 hereof on such day and in such form as GHC requires in writing. Franchisee is required to deposit all Gross Receipts for the prior week into the bank account, including cash, checks, and credit card receipts, on or before the due date for such weekly sales report;

4.2.6 Each week GHC will automatically deduct, on each Friday throughout term, all payments owed to GHC under the Franchise Agreement or any other agreement between Franchisee and GHC, from Franchisee's designated bank account via an electronic funds transfer ("EFT") initiated by Franchisor (the "EFT Program"). Upon written notice to Franchisee, Franchisor may designate another method of payment or time frame for payment;

4.2.7 Upon execution of this Agreement, Franchisee shall provide GHC with Franchisee's bank name, address, ABA routing numbers, account numbers, voided checks from all bank accounts, and sign and give to GHC and Franchisee's bank, all documents, including Attachment 4 to this Agreement, necessary to effectuate the EFT Program and GHC's ability to withdraw funds from the designated bank account via electronic funds transfer. All bank accounts related to the operation of the Franchise must be located within the United States and governed by its laws. Franchisee shall immediately notify GHC of any change in Franchisee's banking relationship, including changes in account numbers. GHC reserves the right to require Franchisee to pay any fees due under this Agreement by such other means as GHC may specify from time to time. If the weekly reports (as described in Section 11) have not been received within the time period required by this Agreement, then GHC may process an EFT for the subject week based on the most recent weekly reports provided by Franchisee to Franchisor. If a weekly report for the subject week is subsequently received and reflects (i) that the actual amount of the fee due was more than the amount of the EFT, then GHC shall be entitled to withdraw additional funds through EFT from Franchisee's designated bank accounts for the difference; or (ii) that the actual amount of the fee due was less than the amount of the EFT, then Franchisor shall credit the excess amount to the payment of Franchisee's future obligations;

4.2.8 As part of Franchisee's participation in the EFT Program, if the funds in Franchisee's bank accounts are insufficient to cover any amounts due under this Agreement on the date such funds are due, or should any EFT not be honored by Franchisee's bank for any reason, Franchisee agrees that Franchisee shall be responsible for that payment and any service charges incurred by GHC. In addition, if any payments are not received when due, and Franchisee fails to pay such past due amount within two (2) days after GHC notifies Franchisee of the past due amount, Franchisee will be charged a fee of $50, and interest may be charged on such unpaid amount from the date it was due until all past due amounts are paid, at a rate of the lesser of 12% per annum or the maximum rate permitted by law; and

4.2.9 Royalty Incentive Programs: GHC will make available royalty incentive programs from time to time, and Franchisee (if Franchisee is in material compliance with this Agreement) will be entitled to participate in such programs. Such programs will be created in consultation with the franchisee representative group as defined in Section 18.2.

4.3 *SOFTWARE FEES*. The first year's Software Fee and the continuing software fee due thereafter (the "Software Fee") are identified on Attachment 3 to this Agreement. Commencing in the 13th month, Franchisee shall pay GHC or its designated vendor the then-current Software Fee. The Software Fee and the designated software vendor shall be determined in GHC's Reasonable Discretion, and are subject to review by GHC's software selection committee.

5. OPENING OF FRANCHISED BUSINESS

5.1 *OPENING OBLIGATIONS.* Prior to the commencement of Franchise operations, Franchisee must:

5.1.1 Complete any necessary state and/or local licensing requirements, at Franchisee's cost. Franchisee may not attend HomeCare Academy® training until Franchisee has secured all licenses and permits necessary to operate the Franchise in the Territory;

5.1.2 Establish, operate, and maintain a physical office location within its Territory, in a condition approved in advance by GHC;

5.1.3 Complete all obligations as set forth in the Manuals;

5.1.4 Develop Franchisee's rates after conducting an independent market survey. Such schedule is without prejudice to Franchisee's right to negotiate pricing and to set prices for a particular Client or a particular class of Clients within the Franchisee's discretion;

5.1.5 Successfully complete the initial HomeCare Academy® training required by GHC for operation of the Franchise. Franchisee will be responsible for the lodging, travel, meals, and other expenses incurred in connection with the initial training;

5.1.6 In the event Franchisee must secure real estate, by purchase or lease, for the operation of the Franchise, Franchisee's lease shall include a provision that requires the lessor to concurrently provide GHC with a copy of any written notice of default under the lease be sent to Franchisee; and

5.1.7 Franchisee and Franchisee's landlord must execute GHC's Collateral Assignment of Lease which grants GHC the right, but not the obligation, upon (a) Franchisee's default on the lease, or (b) Termination, Transfer, or Expiration of this Agreement, (i) to assume the lease for the premises, and (ii) to lease or sublease such premises at fair market value if Franchisee or an affiliate of Franchisee owns the premises.

5.2 *OPENING DATE*. Franchisee acknowledges that time is of the essence in opening the Franchise. Franchisee shall use its best efforts to secure licensure and training, and to commence operation of its GHC Franchise by no later than within 90 days of completion of training. The "Opening Date" will be the date the Franchise commences business operations and is otherwise set forth in the Definition Section of this Agreement.

6. FRANCHISEE'S DUTIES

6.1 *SERVICES TO CLIENTS*. Franchisee must identify, recruit, screen, and refer Caregivers that provide Caregiver Services to Care Recipients. Franchisee may use a third-party background screening vendor to evaluate prospective Caregivers, so long as the vendor's screening procedures comply with applicable state and local requirements for the Territory. Franchisee must also provide consultation to Clients and/or Care Recipients on an ongoing basis consistent with the Business Model approved in the Franchisee's Territory in accordance with applicable law.

6.2 *DUTIES*. Franchisee must:

6.2.1 Use its best efforts to develop Clients and referral sources, recruit and carefully screen Caregivers, and place suitably qualified Caregivers for the provision of Caregiver Services to Clients;

6.2.2 Deposit all Gross Receipts into its designated bank account on or before the due date for the weekly sales report reflecting such Gross Receipts;

6.2.3 Use best efforts to collect all private pay Client payments owing within seven (7) to ten (10) calendar days of Services being rendered;

6.2.4 Submit to GHC such reports as required by GHC in the format and method prescribed by GHC as further described in Section 11 below;

6.2.5 Adhere to and comply with National Accounts Contracts or other third- party payer contracts;

6.2.6 Adhere to and comply with (i) the GHC Business Model under which Franchisee is operating; (ii) the policies, procedures, rules, and/or guidelines relating to the System; and (iii) changes or revisions to the same, as set forth in the Manuals or otherwise in writing from time-to- time;

6.2.7 Use best efforts to remain current on legal and other developments in the industry in which the Services are offered, and promptly advise GHC of any changes that may affect the Franchise or such business;

6.2.8 Submit to, and make the Franchise records, premises, Caregivers, employees, Clients, and Care Recipients available for routine inspections, interviews, and reviews as described in Sections 7 and 11 below;

6.2.9 Comply with all federal, state, and local laws and regulations that apply to the Franchise, including, without limitation, all employment laws related to Caregivers; if Franchisee has a material disagreement with GHC as to the applicable laws and regulations, Franchisee may avail itself of the dispute resolution provisions in Section 19 below;

6.2.10 Without limiting the foregoing, as required by applicable local, state, and federal law(s) covering the operation of Franchise, obtain and maintain all appropriate licenses (including any renewal of such licenses when required by state law) together with registration and required surety bonds, if any, and provide to GHC copies of all initial state licenses (and renewals thereof) within thirty (30) days of receipt of such initial license and renewal licenses;

6.2.11 Maintain the use and integrity of the Territory Name without change unless permitted in writing by GHC;

6.2.12 Purchase sufficient amounts of business forms, brochures, business cards, and descriptive literature necessary for the operation of the Franchise;

6.2.13 GHC will deduct, the amounts owed for Royalties (including any applicable Minimum Performance Requirement) and General Marketing Fees from Franchisee's designated bank account in accordance with Section 4.3.6;

6.2.14 Not relocate the Franchise nor establish any "satellite locations" under this Agreement without the prior written approval of GHC. Such approval for relocation will not be unreasonably withheld;

6.2.15 Maintain satisfactory Franchise performance in terms of adherence to this Agreement and the Manuals;

6.2.16 Respond to Franchisor's reasonable requests for information and/or participation in a timely, thorough, and forthright manner;

6.2.17 Participate in regularly available Franchisor programs, presentations, and learning opportunities;

6.2.18 Execute by the Opening Date of this Agreement the Conditional Assignment of Franchisee's Telephone Numbers, which permits the immediate transfer of all of the telephone numbers and email addresses utilized by Franchisee in the operation of its Franchise to GHC upon Expiration, Termination, or Transfer of the Franchise;

6.2.19 Register for, pay the requisite fee, and attend at least one GHC-sponsored regional or national conference each year;

6.2.20 Obtain, install, and maintain such up-to-date computer hardware, software, telephone, scanner, high speed internet access, and other equipment as GHC may periodically and reasonably require in GHC's Reasonable Discretion, subject to review by GHC's software selection committee;

6.2.21 Promptly submit all matters in dispute with any other System franchisees for resolution by GHC;

6.2.22 Promptly handle all customer complaints, refunds, and other adjustments in a manner that will not detract from GHC's name and goodwill;

6.2.23 Participate in GHC or third-party customer satisfaction programs as required by state law as described in the State Compliance Manual; and

6.2.24 Submit to Franchisor a signed monthly or quarterly report (as required by Franchisor) (the "Report") detailing the financial information required by Franchisor including, but not limited to, a balance sheet and profit and loss statement.

6.3 *COMPLIANCE WITH MANUALS.* Franchisee shall operate the franchise in strict compliance with the standards and specifications set forth in this Agreement and the Manuals and any revisions or amendments to same, as may be changed by GHC from time to time in accordance with Section 9. Franchisee acknowledges that Franchisee may incur reasonable costs to comply with such changes at its expense.

6.4 *OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE*. For the first three (3) years after the Opening Date, Franchisee must directly, exclusively, and personally supervise the Franchise operations. Thereafter, including for any renewal terms of this Agreement granted pursuant to the renewal provisions of Section 2, GHC does not require Franchisee to participate personally in the direct day-to-day operation of the Franchise, provided that the Franchise must at all times be under the direct supervision of a manager who has satisfactorily completed the GHC initial training and devotes full time and effort to the management of the Franchise. Franchisee will be responsible for arranging and paying for the lodging, travel, meals, and other expenses incurred in connection with the initial and subsequent training. Such manager must also execute the Confidentiality, Non-Competition, and Non-Disclosure Agreement described below and must have a 10% interest in the Franchise.

6.5 *ADDITIONAL SERVICES.* During the Term of this Agreement, Franchisor may develop additional services. If Franchisee is awarded the right to offer such additional services, Franchisee may be obligated to incur additional training and start up fees and will receive a 50% reduction in any fees initial for such new opportunity. If Franchisee is awarded the right to offer such additional services, the 50% fee that Franchisee pays will be credited towards the royalty fees for such additional services.

6.6 *PROTECTION OF CUSTOMER INFORMATION*. Franchisee must use its best efforts to protect its customers against a cyber-event, identity theft, or theft or exposure of personal information. Franchisee must comply with security policies and guidelines of GHC, which may be amended from time to time, as well regional, national, and local laws and regulations relating to the use, storage, transmission, and disposal of personal information. Franchisee shall notify GHC as soon as possible, and within no more than three (3) business days, after Franchisee becomes aware of or is notified about, any cyber-event, identity theft, or theft or exposure of personal information related to GHC Business, or affecting any customer or employee thereof. Franchisee agrees, upon GHC's request, to immediately provide notice to all individuals potentially affected by such event in the form GHC may direct, and to take such other remedial actions as GHC directs or as may be required by law.

6.7 LIMITATIONS ON GRANT. The grant in Section 1 of this Agreement does not include (i) any right to establish an independent website or to create, register, or use a domain name incorporating the Marks or any variation thereof; or (ii) any right to distribute, market, or implement GHC's products and services in any channel of distribution not specifically permitted by this Agreement.

7. QUALITY REVIEWS

7.1 QUALITY REVIEWS. Franchisee acknowledges and agrees that GHC will conduct periodic quality reviews (the "Quality Reviews") of Franchisee's operations and will review Franchisee's office procedures, records, and file contents and interview Franchisee's staff, Clients, and Caregivers. The Quality Reviews may include the "monitored or recorded for quality assurances purposes" telephone calls to Clients or Caregivers. GHC shall also have the right to record and grade telephone calls, visits to Care Recipients, and referral sources. GHC's quality review may include a "mystery shopper" program from time to time. GHC will issue Franchisee a written report of its findings, which may be hand-delivered at the time of on-site Quality Review, or sent subsequently by mail or email.

7.2 RETRAINING. Franchisee may be required by GHC to participate in retraining as a result of any quality review failure and pay our then current fees related to the training. GHC retraining fee is currently $500 per day. Franchisee must promptly pay GHC the retraining fee upon receipt of GHC's invoice.

7.3 NOTICE OF DEFICIENCY. In the event that Franchisee fails to satisfactorily pass any Quality Review, GHC will issue Franchisee a notice of deficiency (a "Notice of Deficiency") detailing the deficiencies observed by GHC. Upon receiving notice of a Notice of Deficiency and without limiting in any way GHC's rights and remedies under this Agreement (including GHC's rights under Section 15), Franchisee will have 30 days to provide GHC with a written plan for correcting each deficiency listed in the Notice of Deficiency (the "Corrective Action Plan").

Franchisee's failure to submit to GHC the Corrective Action Plan within thirty (30) calendar days of date of Notice of Deficiency shall constitute a default of this Agreement.

8. MARKS

8.1 OWNERSHIP OF MARKS. Franchisee acknowledges that GHC owns all right, title and interest in the Marks and System. Franchisee further acknowledges that its right to use the Marks and System is based solely on this Agreement and is limited to its conduct of business in compliance with this Agreement and all applicable standards, specifications, and operating procedures that GHC prescribes during the term of this Agreement.

8.2 UNAUTHORIZED USE. Any material, unauthorized use of the Marks or System by Franchisee will constitute a breach of this Agreement. Franchisee may not use any of the Marks (or any names or words confusingly similar to any of the Marks) as part of any corporate name, domain name, or with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed by GHC to the Franchisee). Franchisee may not use any Marks (or any names or words confusingly similar to any of the Marks) in connection with the sale of any unauthorized product or service nor in any other manner not explicitly authorized by GHC, nor which could detract or in any way demean the Marks. Franchisee may not use the Marks or System for any unauthorized purpose, including, without limitation, on endorsements, banking instruments or documents, or business forms, or other documents without the prior written consent of GHC.

8.3 *OTHER USES*. Franchisee may not use any other logo, mark or name in connection with the operation of the Franchise.

8.4 *INFRINGEMENT*. In the event of any infringement of, or challenge to Franchisee's use of any of the Marks or System, Franchisee shall immediately notify GHC. GHC may direct and control any administrative proceeding or litigation involving the Marks or the System, including any settlement thereof. GHC is not required to defend Franchisee against any infringement, unfair competition or other claim respecting Franchisee's use of any Mark or the System; however, GHC shall indemnify Franchisee against, and reimburse Franchisee for, all damages for which Franchisee is held liable in any proceeding arising out of the use of any of the Marks, including attorney's fees and related costs, provided the liability is not caused by Franchisee's unauthorized use of the Marks in violation of this Agreement or GHC's Brand Standards. If in GHC's Reasonable Discretion, it determines that Franchisee has not used the Marks in accordance with this Agreement or the Brand Standards, Franchisee will bear the cost of such defense, including the cost of any judgment or settlement.

8.5 *SUBSTITUTION*. GHC reserves the right, in its Reasonable Discretion, to add to or modify the Marks, and to substitute different proprietary marks for use in identifying the System and the businesses operating under the System. GHC shall provide Franchisee 120 days' notice of any such addition, modification, or substitution. Franchisee will bear the expense of signage and replenishing forms and printed materials bearing the new marks (if Franchisee's inventories are not exhausted within the 120-day notice period). Franchisee shall discontinue using all Marks that GHC has modified or discontinued within 120 days of receiving written notice from GHC, and shall then promptly begin using such additional, modified, or substituted Marks as GHC may designate.

8.6 *NO CONTEST*. Franchisee shall not contest, directly or indirectly, GHC's ownership, title, right, or interest in any of the Marks or the System, nor contest GHC's sole right to register, use, or license others to use the Marks and System.

9. OPERATIONS MANUAL; STATE COMPLIANCE MANUAL

9.1 *LOAN*. GHC will loan Franchisee one copy of its Operations Manual and State Compliance Manual during the term of this Agreement. GHC may deliver Franchisee's copy of the Manuals in hard copy and/or electronically.

9.2 *MANUALS*. The Operations Manual contains key information about the GHC System, including various required and recommended policies, procedures, rules, and guidelines promulgated from time to time by GHC, the federal government, and other obligations of the Franchisee under the Franchise Agreement, GHC's System, and the operation of the Franchise. The State Compliance Manual contains information relative to the state in which Franchisee operates, and GHC's requirements for operation of a GHC Business operating under the Marks and the System in the state(s) in which Franchisee's business is located.

9.3 *CONFIDENTIALITY*. All copies of the Manuals will remain confidential and the exclusive property of GHC. GHC has the exclusive right to add to and otherwise modify the Manuals in its Reasonable

Discretion with Consultation, and as it deems necessary to meet competition, protect the Marks, meet or comply with changing regulatory environment, or improve the quality of the services offered by the System. In the event GHC has material modifications to the Manuals, GHC will provide a copy to recognized franchisee representatives sixty (60) days prior to finalizing such changes and receive comments on such changes within such sixty-day period prior to implementation. GHC will provide Franchisee a reasonable amount of time to comply with any changes or modifications to the Manuals.

9.4 *OFFICIAL COPY*. GHC maintains an official copy of the Manuals at its corporate headquarters. In case of any dispute relating to the contents of the Manuals, the official copy of the Manuals posted on the GHC intranet system shall control.

10. CONFIDENTIALITY

10.1 *CONFIDENTIALITY COVENANTS*. Franchisee acknowledges that its knowledge of the System and Services, which is derived from information disclosed to Franchisee by GHC pursuant to this Agreement and any addenda thereto, including without limitation, business systems, referrals, and contacts included in Regional/National Contracts, manuals, tactics, strategies, and materials; information about proprietary products; any proprietary software Franchisor may now or in the future create; and the Operations Manual (collectively, the "Confidential Information"), are proprietary and confidential to GHC. Other information that has been developed by Franchisee, including Client information, Caregiver rosters, and referral sources shall be deemed to be Joint Confidential Information. With respect to all Confidential Information and Joint Confidential Information, GHC and Franchisee therefore agree that:

10.1.1 GHC and Franchisee will fully and strictly adhere to all security procedures prescribed by GHC in its Reasonable Discretion for protecting such Confidential Information and Joint Confidential Information;

10.1.2 During the term of this Agreement and thereafter, neither GHC nor Franchisee will disclose such Confidential Information to any person or entity other than its employees and then only to the extent reasonably necessary to market the Services and for the operation of the Franchise in accordance with this Agreement and with adherence to the procedures, policies, rules, and/or guidelines set forth in the Operations Manual;

10.1.3 Franchisee will obtain a non-disclosure agreement from all internal office employees prior to hiring, and from all vendors that will have access to Confidential Information and Joint Confidential Information;

10.1.4 Franchisee will not use any Confidential Information or Joint Confidential Information in any other business or in any manner without the prior written consent of GHC, provided, however, that subject to Section 17.2.2 and applicable privacy laws, including HIPAA, Franchisee and Franchisee's principals may use Joint Confidential Information developed solely by Franchisee in a non-competing business; and

10.1.5 GHC and Franchisee will exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such Confidential Information during and after the term of this Agreement.

10.2 *EMPLOYEE CONFIDENTIALITY AGREEMENTS*. Franchisee must obtain from each and every full- and/or part-time office employee a signed confidentiality agreement, which provides that such employee(s) shall maintain the confidentiality of the Confidential Information during and after the term of such employee's employment with Franchisee. Such agreement, which will be in a form that Franchisor prescribes, will identify Franchisor as a third-party beneficiary to the agreement and give Franchisor independent enforcement rights.

11. TAXES, SALES REPORTS & FINANCIAL STATEMENTS

11.1 TAXES.

11.1.1 Franchisee is responsible to promptly pay to the proper taxing authorities when due, any and all applicable federal, state, and local taxes, including, but not limited to payroll and social security taxes, FICA, sales, income, or FUTA taxes withheld or due; state and federal unemployment taxes; any taxes for employees required by applicable law; and state workers' compensation taxes, and to mail to GHC, if requested by GHC, within forty (40) days after the close of each calendar quarter, evidence of the payment of all such taxes in a form satisfactory to GHC including but not limited to all filings, forms, and returns, and such other information as GHC may request in writing or in the Manuals from time-to-time.

11.1.2 GHC shall have the right in its Reasonable Discretion to access tax and income information and returns including but not limited to personal returns for any information concerning siphoning, record falsification, concealment, diminution, or other unreasonable decrease in the usual and customary cases, Clients and/or Gross Receipts of the Franchise.

11.2 SALES REPORTS. Franchisee shall submit sales reports, financial statements, and any other business reports and records requested by GHC for the Territory (collectively, the "Weekly Reports") in the formats and methods prescribed by GHC by noon (Eastern Time) Friday of each week. The Weekly Reports will include Franchisee's calculation of all the Royalties and General Marketing Fees, on Franchisee's Gross Receipts collected and deposited for the prior Monday through Sunday and may include any other information GHC may require (e.g., weekly gross revenue, weekly Gross Receipts, client census, weekly hours, weekly clients versus line-in clients). The Weekly Reports shall be submitted electronically or through any other method designated by GHC.

11.3 MARKETING REPORTS. Franchisee shall submit reports of its marketing activities in the Territory, including but not limited to local marketing expenditures, as requested by GHC.

11.4 LATE FEES. Franchisee is required to deposit all Gross Receipts into its designated bank account on or before the due date for the Weekly Report reflecting such Gross Receipts. In the event Franchisee fails to submit all Weekly Reports to GHC by the deadline for such Weekly Report, GHC will deduct a twenty-five dollar ($25) late fee as a donation to the Griswold Cares Foundation from Franchisee's designated bank account for each additional week that passes without GHC's receipt of the Weekly Report. Franchisee agrees that this contribution is intended to incentivize timely submission of Weekly Reports. Weekly Reports may be submitted electronically or via any other method designated by GHC in the Manual or otherwise in writing.

11.5 AUDIT OF REPORTS. Franchisee must maintain accurate business records, reports, accounts, books, and data relating to the operation of the Franchise. GHC will have the reasonable right to inspect and/or audit or cause to be audited all of Franchisee's business records, including sales reports, advertising reports, banking and financial statements, and tax returns to determine whether Franchisee is current with suppliers and is otherwise operating in compliance with the terms of this Agreement and the Manuals. Such inspections and/or audits will be conducted at the expense of GHC except as specified below in Section 11.6. GHC shall have the right to enter upon Franchisee's premises during normal business hours, and without liability, for the purpose of examining such premises; conferring with Franchisee's employees and agents; inspecting, auditing and copying books and records; and determining whether Franchisee's operation is in full compliance with this Agreement, the System and the Manuals. If Franchisee fails any inspection or evaluation, for any subsequent inspection or evaluation to determine compliance with such failure, Franchisor shall pay the costs and expenses for such inspection or evaluation if Franchisee has cured such failure, and Franchisee shall pay the costs and expenses for such inspection or evaluation if Franchisee has not cured such failure.

11.6 UNDERSTATEMENT OF GROSS RECEIPTS. In the event any audit or review discloses any understatement of Franchisee's Gross Receipts, Franchisee is obligated to pay to GHC, within fifteen (15) days after receipt of GHC's review report to the Franchisee, the Royalty or General Marketing Fees due on such understated funds. If Franchisee fails to pay GHC any Royalty or General Marketing Fees due on any understated Gross Receipts within fifteen (15) days of receipt of such review report, then Franchisee shall pay GHC the Royalty or General Marketing Fees due on such understated funds, plus interest on such unpaid amount from the date it was due until all past due amounts are paid, at a rate of the lesser of 12% per annum or the maximum rate permitted by law. Further, if any review process discloses an intentional understatement of three percent (3%) or more of the Franchise Gross Receipts for any period or periods, the Franchisee is required to reimburse GHC for the cost of such review process including, without limitation, the charges of any independent accountant and attorney's fees, the travel expenses, room and board, and pro-rata compensation of GHC's auditing employee(s) or agents. GHC may deduct the penalty and GHC's costs and expenses directly from Franchisee's designated bank account. Further, if any subsequent review process (which must be undertaken more than thirty (30) after the prior audit or review) discloses any understatement for any subsequent period, or if any review discloses evidence of intentional understatement, GHC will have the right to immediately terminate the Franchise Agreement upon discovery, for cause and without notice, and Franchisee will forfeit all rights to the Franchise**.**

11.7 OWNERSHIP OF ALL RECORDS. Once in use by the Franchise, all current and prior case/Client lists and files, phone and contact lists, Caregiver/resource files, Rolodex/file cards, computerized databases, records, software, etc. containing Client, Caregiver, or employee marketing and financial data of any type, however developed or stored, shall become and remain the property of GHC at all times during and after the term of the Franchise and following Expiration or Termination of any type for any reason or no reason by either party, non-renewal or sale; provided, however, that after Expiration, Termination, non-renewal, or sale, Franchisee will jointly own such records and Joint Confidential Information to the extent necessary for compliance with law and for use in any non-competing business by Franchisee or its Principals subject to applicable privacy laws including HIPAA. GHC will have independent access to such information described above that will be generated and stored in Franchisee's computer system at all times. There are no limitations on GHC's rights to access this information. Except as otherwise prohibited by law, GHC may use this information in any reasonable manner in furtherance of our Common Mission and Guiding Principles, including its right to publish key performance data (without attribution to Franchisee) and client satisfaction related data (without attribution to Franchisee) internally or disclose such information to third parties. The development and preservation of data for the benefit of the GHC brand and the franchise network is a key attribute of the Franchise System. GHC and Franchisee agree to maintain and share data for our mutual benefit during the term hereof, and both GHC and Franchisee agree to protect the confidentiality of data for our respective benefits. GHC may share data in a manner that is lawful and that protects the confidentiality of individual franchisees, customers, and Caregivers, but that promotes the growth and success of the Griswold brand as a whole. GHC will not sell data developed by Franchisee without express written approval of the Franchisee. While the data and records described in this paragraph remain the property of GHC both during and after the term of the Agreement, GHC acknowledges and agrees that any goodwill developed by Franchisee may be included in a sale of such business as described in Section 14.10 of this Agreement. After the term of the Agreement, Franchisee will retain copies of records as required by applicable law.

12. ADVERTISING/MARKETING

12.1 ADVERTISING ASSISTANCE. GHC may consult and confer periodically with Franchisee and other franchisees about advertising and provide Franchisee (upon request) with marketing advice from time-to-time at GHC's Reasonable Discretion, and at Franchisee's sole expense.

12.2 GENERAL MARKETING FUND. GHC shall maintain a general marketing fund.

12.2.1 Commencing 30 days from the Opening Date to the first anniversary of the Opening Date, Franchisee shall pay GHC the then-current weekly "General Marketing Fee" of one half of one percent (0.5%) of Gross Receipts to a general marketing fund (the "General Marketing Fund"). After the first anniversary of the Opening Date, Franchisee shall pay GHC for the General Marketing Fee the greater of seventy-five dollars ($75) or one half of one percent (0.5%) of Gross Receipts. In the event that Franchisee operates GHC Businesses in more than one territory under the Marks and System, Franchisee may aggregate the General Marketing Fees for all such GHC Businesses for the weekly period for purposes of determining the greater of seventy-five dollars ($75) or one half of one percent (0.5%) of Gross Receipts under each Franchise Agreement. GHC will deduct weekly General Marketing Fees from Franchisee's designated bank account.

12.2.2 GHC will administer and maintain the General Marketing Fund to develop branded marketing programs and tools to support the services provided by GHC in venues such as online, print, and public relations forums promoting the Services provided by GHC franchises.

12.2.3 GHC will use the General Marketing Fund contributions, in GHC's Reasonable Discretion with Consultation, to develop, produce, and distribute national, regional, and/or local advertising and to create advertising materials and public relations programs that promote, in GHC's Reasonable Discretion, the products and Services offered by GHC System Franchisees. GHC has the right to determine expenditures from the General Marketing Fund, or any other advertising program, and the authority to determine the selection of the advertising materials and programs; provided, however, that GHC will make a good faith effort to expend General Marketing Fund contributions in the general best interests of the System on a national and/or regional basis. GHC may use the General Marketing Fund to satisfy any and all costs of maintaining, auditing, administering, directing, preparing, and producing advertising, including the cost of preparing and producing Internet, television, radio, magazine, and newspaper advertising campaigns, direct mail, outdoor billboard advertising, and any other forms of advertising; the cost of public relations activities and advertising agencies; the cost of developing and maintaining an Internet website; and other departmental costs for advertising that GHC internally administers or prepares; provided, however, that GHC will not use monies from the General Marketing

Fund to conduct customer satisfaction surveys. Nevertheless, Franchisee acknowledges that not all System franchisees will benefit directly or on a pro rata basis from such expenditures. GHC will not use the General Marketing Fund contributions for advertising that is intended principally to solicit new franchisees. However, GHC reserves the right to use the General Marketing Fund for public relations or recognition of the Griswold Home Care brand, for the creation and maintenance of a website, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating "Franchises Available." GHC has the right to reimburse itself from General Marketing Fund contributions for such reasonable costs and overhead, if any, as GHC may incur in activities reasonably related to the direction and implementation of the General Marketing Fund.

12.2.4 GHC will prepare on an annual basis, and will have available for Franchisee within sixty (60) days of the end of the fiscal year, an unaudited statement of contributions and expenditures for the General Marketing Fund. GHC will make such statement available on its then-current electronic internet system for franchisee communications for the prior calendar year. The General Marketing Fund is not required to be independently audited.

12.3 *LOCAL MARKETING REQUIREMENT.* In addition to payment of the General Marketing Fee described above, Franchisee is required to spend a minimum of twelve thousand dollars ($12,000) per year on local marketing, promotional, and advertising activities (the "Local Marketing Requirement"). However, the Local Marketing Requirement will be reduced to six thousand dollars ($6,000) per year, if (i) Franchisee hires a dedicated sales and marketing professional or (ii) if the Franchise is or will be jointly operated by two related adult Family Members. If the Franchise is or will be jointly operated by two related adult Family Members, the expectation is that one Family Member will handle marketing responsibilities. Except as provided in the preceding sentence, Franchisee cannot designate himself or herself (or, in the case of a corporate entity Franchisee, the principal owner of the Franchisee) as the sales and marketing professional for the purpose of reducing Franchisee's annual Local Marketing Requirement. If Franchisee fails to spend the minimum Local Marketing Requirement in any fiscal year, Franchisor reserves the right, in its Sole Discretion, upon thirty (30) days' written notice to Franchisee, to require Franchisee to pay to Franchisor the difference between the amount actually spent on local marketing, promotional, and advertising activities in the Territory and the Local Marketing Requirement (the "Local Marketing Shortfall"), which Franchisor shall then spend on local marketing, advertising, and promotion on Franchisee's behalf. Franchisor may deduct the Local Marketing Shortfall via the EFT Program.

Franchisee acknowledges and agrees that it must use only advertising and promotional materials developed or approved by GHC, in the manner authorized by GHC, and must cease using any materials upon instruction from GHC. Franchisee must participate in advertising, promotional, and/or branding initiatives upon instruction from GHC. GHC has the right to photograph, interview, or record Franchisee and Franchisee's employees or agents and place(s) of business and to utilize such material as testimonials, videos, or photographs in the advertising, promotion and sale of the franchises and/or GHC's products and services. Franchisee agrees that GHC shall have the right to use and incorporate into the System any advertising and promotions created by Franchisee, and shall obtain all right, title and interest to such advertising and promotions without compensation to Franchisee. Franchisee agrees not to use public figures in Franchise promotional efforts or advertising without the prior express written approval of GHC. Franchisee agrees that Franchisee is responsible for knowing and complying with federal and local laws and regulations regarding its advertising and promotions.

12.4 EMAIL ACCOUNTS. GHC may provide Franchisee with 5 email accounts under GHC's registered email and website domain as part of the franchise purchase. If Franchisee wishes to use more email accounts than what Franchisor provides, Franchisee shall pay Franchisor the then-current fee for each additional email account. Franchisee must use any such assigned email accounts in all official aspects of the operation of the Franchise. Each email account remains GHC's sole property and reverts to GHC in the event of any Termination, Expiration, or approved Transfer. Franchisee may not establish or use other email or social media accounts for the Franchise, nor may Franchisee use or establish or identify any website or social media site other than the designated GHC website for Franchise business operations, except as otherwise stated in this Agreement and except for email accounts used in connection with the Franchise prior to the date hereof, or as otherwise permitted by GHC, or as provided in a social media policy (if any), which may hereafter be adopted by GHC and incorporated in the Manual. Franchisee may not use the Marks or any trade names or trademarks confusingly similar to the Marks as part of any email address, website identification, or on any third-party website without GHC's prior written consent. Except for personal exchanges of correspondence in the ordinary course of business between Franchisee, clients, prospective clients, Franchisee's established contacts, including Caregivers, any email or online content Franchisee creates related to marketing or advertising the Franchise, the Services, Caregivers, or Clients will be considered advertising and be subject to GHC approval and instruction as described in Section 12.3 above.

12.5 ADVERTISING COOPERATIVES. GHC will have the right, in GHC's Reasonable Discretion with Consultation, to determine whether a regional advertising and promotional cooperative ("Cooperative") is applicable to the Franchise.

13. INSURANCE REQUIREMENTS & INDEMNIFICATION

13.1 INSURANCE. Within one (1) month of the execution of this Agreement, and prior to providing Services to any Client or Care Recipient, and thereafter annually, Franchisee shall purchase and maintain, at its sole expense, insurance coverage in the following amounts, which shall name GHC as "additional insured" for liability arising out of the operations of the Franchise:

13.1.1 General and Professional Liability Insurance for the management and operation of the Franchise in an amount not less than one million dollars ($1,000,000) per occurrence, three million dollars ($3,000,000) in the aggregate;

13.1.2 Non-owned Auto Insurance in an amount not less than one million dollars ($1,000,000) for each accident sub-limit;

13.1.3 Sexual Abuse Coverage in an amount not less than two hundred fifty thousand dollars ($250,000);

13.1.4 Business Income Coverage in an amount not less than one hundred thousand dollars ($100,000);

13.1.5 Crime Coverage in an amount not less than twenty-five thousand dollars ($25,000);

13.1.6 Property/Contents Insurance in an amount not less than ten thousand dollars ($10,000);

13.1.7 Workers' Compensation Insurance for office staff, and for such Caregivers as determined by GHC Business systems chosen and as prescribed by the state of operation; and

13.1.8 In addition, GHC recommends that Franchisee purchase Employment Practices Liability Insurance, Renter's Insurance, and an umbrella policy for defense outside the limits set forth above.

All of the insurance policies described above shall be maintained by Franchisee at all times during the operation of the Franchise, at its sole expense without gap in coverage or diminution in amount(s) prescribed. Franchisee shall annually provide to GHC copies of certificates of insurance, the insurance policy, declarations sheets, and policy renewal records for the Franchise within thirty (30) days of renewal of each policy, and upon GHC's request. At any time during the term of this Franchise Agreement, GHC may reasonably require Franchisee to increase the limits of the insurance described above or obtain additional types of insurance coverage as may be subsequently required by changing state or federal regulation and/or GHC's policy and/or System structure. Franchisee is obligated to fully comply with all insurance requirements over time, i.e., certain state licensures require the posting of a bond. All insurance certificates must expressly provide that not less than thirty (30) days' prior written notice will be given to GHC in the event of material alteration to, or cancellation of, the coverage's evidenced by such certificates. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised in the Operations Manual or otherwise in writing, GHC has the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to Franchisee, which charges will be payable by Franchisee immediately upon notice. The foregoing remedies will be in addition to any other remedies GHC may have.

13.2 INDEMNIFICATION.

13.2.1 FRANCHISEE INDEMNIFICATION. Franchisee and Franchisee's Principals, as a material part of the consideration to be rendered to GHC, agree to indemnify, defend and hold GHC, as well as GHC's directors, officers, principals/owners, managers, shareholders, affiliates, subsidiaries, employees, servants, agents, successors and assignees (collectively, the "GHC Indemnitees"), harmless from actual damages (the "GHC Liabilities") suffered as a result of any and all claims, demands, lawsuits, arbitrations, or causes of action of any kind or character and nature brought against any of the GHC Indemnitees, provided (and to the extent) that such GHC Liabilities are a consequence of or are otherwise related to Franchisee's ownership, management, or operation of the Franchise in any manner (including the actions and omissions of Franchisee's Caregivers).

In addition, Franchisee Indemnitors shall defend GHC Indemnitees from and against any and all claims, demands, lawsuits, arbitrations, or causes of action of every kind or character and nature that may result in GHC Liabilities, so long as GHC Indemnitees: (a) provide Franchisee, in accordance with Section 21.7 hereof, with a written demand for indemnification and defense; (b) surrender control of the defense to Franchisee Indemnitors, which may conduct the defense in such manner as they deem appropriate in their reasonable discretion (including, without limitation, selecting counsel, determining litigation strategy, and settling any or all claims); and (c) fully cooperate in the defense, including, without limitation, by providing all documents, information, and witnesses Franchisee Indemnitors reasonably deem necessary or appropriate to such defense. If GHC Indemnitees disagree with Franchisee Indemnitors' defense strategy, GHC Indemnitees may resume control of the defense upon written notice to Franchisee expressly waiving Franchisee Indemnitors' duty to defend under this Section 13.2.1.2 as of and after the date of such notice.

Notwithstanding anything to the contrary in this Section 13: (a) GHC Indemnitees shall not be entitled to reimbursement for any defense costs (including, without limitation, attorneys' fees) they incur before Franchisee has received GHC Indemnitees' written demand for indemnification and defense, if the GHC Indemnitees fail to comply with the conditions of defense pursuant to Section 13.2.1.2, or if the GHC Indemnitees opt to retain or resume control of their defense; and (b) Franchisee Indemnitors shall not be liable for any defense costs (including, without limitation, attorneys' fees) incurred by GHC Indemnitees if it is ultimately determined that GHC Indemnitees are not entitled to indemnification pursuant to Section 13.2.1.1. If it is ultimately determined that GHC Indemnitees are not entitled to such indemnification, and Franchisee Indemnitors have incurred defense costs (including, without limitation, attorneys' fees) in connection with defending GHC Indemnitees, then GHC Indemnitees must reimburse Franchisee Indemnitors for all such defense costs within thirty (30) days of receipt of Franchisee Indemnitors' written demand for reimbursement.

13.2.2 *GHC INDEMNIFICATION*. GHC shall indemnify and hold Franchisee harmless from actual damages ("Franchisee Liabilities") suffered as a result of any and all claims, demands, lawsuits, arbitrations, or causes of action of any kind or character and nature, brought against Franchisee by any third party or governmental authority, provided (and to the extent) that such Franchisee Liabilities are a consequence of Franchisee's compliance with a written requirement of the System relating to the Services or the Caregivers that was recklessly or willfully imposed by GHC. For the avoidance of doubt, the Franchisee Liabilities do not include any costs to respond to any federal, state, or local government review, audit, survey, or investigation (each, a "Non-Enforcement Proceeding").

In addition, GHC shall defend Franchisee from and against any and all claims, demands, lawsuits, arbitrations, or causes of action of every kind or character and nature that may result in Franchisee Liabilities, so long as Franchisee: (a) provide GHC, in accordance with Section 21.7 hereof, with a written demand for indemnification and defense; (b) surrender control of the defense to GHC, which may conduct the defense in such manner as it deems appropriate in its Reasonable Discretion (including, without limitation, selecting counsel, determining litigation strategy, and settling any or all claims); and (c) fully cooperate in the defense, including, without limitation, by providing all documents, information, and witnesses GHC deems necessary or appropriate to such defense. If Franchisee disagrees with GHC's defense strategy, Franchisee may resume control of the defense upon written notice to GHC expressly waiving GHC's duty to defend under this Section 13.2.2.2 as of and after the date of such notice. In addition, Franchisee agrees to notify GHC promptly regarding any Non-Enforcement Proceeding and to provide regular updates regarding the same. GHC reserves the right, in its Sole Discretion, to assume control of the response to any Non-Enforcement Proceeding upon written notice to Franchisee. If GHC assumes such control: (i) GHC may respond to the Non-Enforcement Proceeding in such manner as it deems appropriate in its Reasonable Discretion (including, without limitation, determining response strategy, retaining legal counsel, and agreeing to a resolution in consultation with Franchisee) and (ii) Franchisee agree to fully cooperate in the response (including, without limitation, by providing all documents, information, and witnesses GHC deems necessary or appropriate to conduct the response).

Notwithstanding anything to the contrary in this Section 13: (a) Franchisee shall not be entitled to reimbursement for any defense costs (including, without limitation, attorneys' fees) they incur before GHC has received Franchisee's written demand for indemnification and defense, if the Franchisee fails to comply with the conditions of defense pursuant to Section 13.2.2.2, or if the Franchisee opts to retain or resume control of their defense; and (b) GHC shall not be liable for any defense costs (including, without limitation, attorneys' fees) incurred by Franchisee if it is ultimately determined that Franchisee are not entitled to indemnification pursuant to Section 13.2.2.1. If it is ultimately determined that Franchisee are not entitled to such indemnification, and GHC has incurred defense costs (including, without limitation, attorneys' fees) in connection with defending Franchisee, then Franchisee must reimburse GHC for all such defense costs within thirty (30) days of receipt of GHC's written demand for reimbursement.

13.2.3 The provisions of this Section 13.2 shall continue in full force and effect subsequent to and notwithstanding the Expiration or Termination of This Agreement.

14. TRANSFER AND ASSIGNMENT

14.1 TRANSFER BY GHC. GHC has the right to sell, transfer, assign, delegate, and/or encumber all or any part of GHC's assets and GHC's interest in, and rights and obligations under, this Agreement in its Sole Discretion. Any transaction of the kind described in the preceding sentence will be to an entity that has the capability and financial stability to meet the obligations under this Agreement.

14.2 TRANSFER OF A MAJORITY INTEREST BY FRANCHISEE. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that GHC has granted this Franchise in reliance on Franchisee's (or, if Franchisee is a corporation, partnership, or limited liability company, its Principals') business skill, financial capacity, and personal character. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, partnership, limited liability company, corporation, or other legal entity that directly or indirectly owns any interest in Franchisee or in the Franchise Business shall sell, assign, transfer, convey, pledge, merge, or give away more than 50% of any direct or indirect interest in this Agreement, in Franchisee, or in all or substantially all of the assets of the Franchise (collectively, "Transfer") without the prior written consent of GHC, which GHC will not unreasonably withhold. GHC acknowledges that Franchisee has the right to offer the Franchise for sale during the term of the Agreement to a third-party purchaser meeting GHC's standards and conditions, subject to GHC's right of first offer. Any purported Transfer not having the written consent of GHC required by this Section 14 shall be null and void and shall constitute a material breach of this Agreement, for which GHC may immediately terminate without opportunity to cure pursuant to Section 15 of this Agreement.

14.3 CONDITIONS TO TRANSFER OF A MAJORITY INTEREST. Franchisee shall notify GHC in writing of any proposed Transfer at least thirty (30) days before such Transfer is proposed to take place. GHC shall not unreasonably withhold its consent to any proposed Transfer, but GHC may, in its discretion, require any or all of the following as conditions of its approval:

14.3.1 Franchisee is not in default under any provision of this Agreement or any other agreement with GHC or any affiliate or supplier; provided, however, that this condition shall not apply and Franchisee has the right to make a Transfer or assignment if Franchisee or any of Franchisee's Principals are in default of Section 15.1.3 hereof, and relinquishes or otherwise disposes of its ownership interest in the Franchise on the terms in this Section 14 within thirty (30) days following any event described in Section 15.1.3 or agrees with GHC on a Corrective Action Plan and completes such plan in the time period agreed upon with GHC;

14.3.2 The transferee must meet then applicable standards of GHC for operating a GHC franchise under the Marks and the System, must have, in the Reasonable Discretion of GHC, sufficient business experience, aptitude, the personal character, and financial resources to properly operate the Franchise, and must not be involved in any business that is competitive with or similar to a GHC Business operating under the Marks and the System, or that would violate the non-competition or non-solicitation covenants in Section 17 hereof;

14.3.3 The transferee purchases GHC's then-current required software system (as described in Section 4.4 above);

14.3.4 Subject to applicable law, Franchisee and all of its Principals execute a general release and indemnification agreement in favor of GHC, and Franchisee and its Principals agree(s) to be bound by all the applicable post-termination provisions of this Agreement; provided, however, that there shall not be released any pending claims for which Franchisee has either (a) filed a notice of mediation or notice of arbitration under Section 19 hereof; or (b) if such claim is not subject to mediation and arbitration pursuant to Article 19, actually filed and served GHC with notice of such claim;

14.3.5 All outstanding debts of Franchisee in connection with the Franchise have been paid in advance of the Transfer;

14.3.6 Transferee or transferee's Principals have attended GHC's HomeCare Academy®;

14.3.7 Transferee shall execute GHC's then-current form of franchise agreement (for a full initial term) and other ancillary agreements as GHC may require for the Franchise, which agreements shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including higher fees and greater advertising obligations, except that the transferee shall not be required to pay any initial franchise fee, or First Year's Software Fee, and the Franchisee's Territory shall remain the same, and will not be required to adopt a different Business Model;

14.3.8 Franchisee pays GHC a transfer fee (the "Transfer Fee") in an amount equal to

(a) Fifteen Thousand Dollars ($15,000) plus any brokerage fee payable by Franchisee; or (b) Five Thousand Dollars ($5,000) for any Transfer to an existing GHC franchisee, plus any brokerage fee payable by Franchisee; and

14.3.9 Notwithstanding Section 14.3.8, no Transfer Fee will be required (a) in the case of a Transfer to a corporation, partnership, or limited liability company (in which the current or existing individual Franchisee owns more than a 50% interest in such entity) that is formed by Franchisee for the convenience of ownership; (b) in a Transfer to Franchisee's spouse or adult child; or (c) at GHC's Reasonable Discretion in a Transfer to Franchisee's employee.

14.4 ASSIGNMENT OF A MINORITY INTEREST BY FRANCHISEE. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that GHC has granted this Franchise in reliance on Franchisee's (or, if Franchisee is a corporation, partnership, or limited liability company, its Principals') business skill, financial capacity, and personal character. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this Agreement, nor any individual, partnership, limited liability company, corporation, or other legal entity that directly or indirectly owns any interest in Franchisee or in the Franchise Business shall sell, assign, transfer, convey, pledge, merge, or give away 50% or less of any direct or indirect interest in this Agreement or in Franchisee (collectively, an "Assignment"), without providing notice to GHC thirty (30) days before any such proposed Assignment is to take place and without complying with the conditions for such Assignment described in this Section 14.4 below. GHC acknowledges that Franchisee has the right to offer the Franchise or an interest therein for sale during the term of the Agreement to a third -party purchaser meeting GHC's standards and conditions. Any purported Assignment that does not occur in accordance with this Section 14.4 shall be null and void and shall constitute a material breach of this Agreement, for which GHC may immediately terminate without opportunity to cure pursuant to Section 15 of this Agreement. The following conditions shall apply to any proposed Assignment hereunder:

14.4.1 The proposed assignee must not be involved in any business that is competitive with or similar to a GHC Business operating under the Marks and the System, or that would violate the non-competition or non- solicitation covenants in Section 17 hereof;

14.4.2 Subject to applicable law, assignee, assignor, Franchisee, and all of its Principals shall execute a general release and indemnification agreement in favor of GHC, and assignor shall agree to be bound by all the applicable post-termination provisions of this Agreement; provided, however, that there shall not be released any pending claims for which Franchisee has either (a) filed a notice of mediation or notice of arbitration under Section 19 hereof; or (b) if such claim is not subject to mediation and arbitration pursuant to Article 19, actually filed and served GHC with notice of such claim; and

14.4.3 No fee for any Assignment will be required.

14.5 RIGHT OF FIRST OFFER. If Franchisee proposes to Transfer the Franchise to any third-party (other than a corporation partnership, or limited liability company as set forth in Section 14.9 hereof), Franchisee shall first offer the Franchise to GHC by setting forth the price, payment terms, and other material contract terms Franchisee will accept in a written letter of intent ("Letter of Intent"). GHC will then have the right and option, exercisable within thirty (30) days after GHC receives the Letter of Intent, to notify Franchisee in writing that GHC intends to purchase the Franchise on the same terms and conditions contained in the Letter of Intent. If GHC exercises its option, closing will occur within sixty (60) days after GHC notifies Franchisee of its intent to exercise its right of first offer. If GHC elects not to accept the offer within the thirty (30) day period, Franchisee shall have three hundred sixty-five (365) days to complete the Transfer on the terms that equal or exceed the terms described in the Letter of Intent, subject to compliance with the conditions for GHC's approval set forth in Section 14.2 hereof. Any final Transfer subject to this Section 14.5 shall be consistent with the Letter of Intent executed by Franchisee and the third -party buyer. Any change in the sales terms from those in the Letter of Intent that are less than those imposed in the Letter of Intent shall be deemed a new proposal, subject to GHC's right of first offer. In such event, Franchisee shall provide GHC a revised Letter of Intent, which will be subject to GHC's right and option as described in this Section 14.5 above. So long as Franchisee has obtained GHC's prior written consent, which shall not be unreasonably withheld, a Transfer to Franchisee's spouse or adult child is not subject to GHC's first right of first offer.

14.6 BUSINESS CONTINUITY PLAN. GHC requires the Franchisee to formulate annually its Business Continuity Plan and to update and submit the Business Continuity Plan to GHC with home address, contact and cell numbers, and persons designated to assist in the event of a disruption in Franchise function for whatever cause or reason.

14.7 DEATH OF FRANCHISEE. In the event of Franchisee's death (or the death of Franchisee's Principal who is operating the Franchise), the operations of the Franchise shall automatically become the responsibility of the party or parties identified within the Business Continuity Plan. If no such plan exists, GHC has the right (but does not have the obligation), in its Sole Discretion, to assume the immediate and total management and administrative responsibility for the Franchise in order to assure its continued smooth operation. The cost of providing such management and administrative services shall become part of the overhead of the Franchise, and GHC shall have the right to deduct such overhead from the Franchisee's designated bank account. If the Franchise is not under an agreement of sale within six (6) months of Franchisee's death (or Franchisee's Principal's death), GHC shall have the right to market the Franchise on behalf of the estate and the estate shall be bound to accept any reasonable agreement of sale negotiated by GHC. If the Franchisee (or its Principal) dies during the term of the Franchise Agreement and his/her personal representative does not desire to sell the Franchise, and if, under the controlling local law, the deceased Franchisee's (or Principal's) interest in Franchise and this Agreement are distributable to heirs or legatees who are members of the deceased's immediate family and who otherwise would qualify as transferees as defined and discussed in Section 14.3 hereof, then such attempted Transfer by operation of law or will shall not be deemed in violation of this Agreement. GHC's right of first offer shall not apply to any Transfers under this Section 14.7.

14.8 FRANCHISEE'S DISABILITY. In the event that Franchisee (or its Principal who is operating the Franchise) becomes disabled in any respect, whether physically or mentally, as certified by a licensed physician, Franchisee or his/her agent shall notify GHC within seven (7) days. In such event, the operations of the Franchise will automatically become the responsibility of the party or parties identified in the Business Continuity Plan. If no such plan exists, GHC shall have the right, in its Sole Discretion, to assume temporary management and administrative responsibility for the Franchise in order to assure the smooth operation of the Franchise. The cost of providing such temporary management and administrative services shall become part of the overhead of the Franchise, and GHC shall have the right to deduct such overhead from the Franchisee's designated bank account. If Franchisee's (or its Principal's) disability prevents Franchisee (or its Principal) from resuming active management of the Franchise within two (2) weeks, and management acceptable to GHC has not been installed, Franchisee or his/her agent shall notify GHC of a management plan, which must be acceptable to GHC, to assure the smooth operation of the Franchise for the duration of the disabled party's disability. At the end of one (1) month, Franchisee (or its Principal) must demonstrate to GHC that Franchisee (or its Principal) will be able to resume active management of the Franchise within the next two (2) months. If any of the conditions herein are not met, GHC shall have the right to market the Franchise on the same terms as provided in Section 14.6 above.

14.9 TRANSFER TO FRANCHISEE'S ENTITY. If Franchisee desires to assign Franchisee's rights under this Agreement to a corporation, partnership, or limited liability company formed by Franchisee (the "Entity"), and if all of the following conditions are met, GHC will consent to the assignment without assessing the Transfer Fee set forth in Section 14.3:

14.9.1 The current or existing individual Franchisee owns more than 50% interest in the entity and the entity's other Principals meet GHC standards for ownership;

14.9.2 The Entity is newly organized for the purpose and its activities are confined solely and exclusively to acting as the Franchisee under this Agreement;

14.9.3 The Entity's charter or organizational documents specifically provide for dissolution of the Entity in the event of non-renewal, Termination, or Transfer of the Franchise;

14.9.4 All certificates representing ownership interests in the Entity bear a legend stating that they are subject to the terms of this Agreement;

14.9.5 All obligations of Franchisee in connection with the Franchise have been assumed by the Entity;

14.9.6 Franchisee executes Franchisor's Assignment and Assumption Agreement, and any individual holding 5% or more of the ownership interest in the Entity shall execute, on a form approved by GHC, a personal guarantee and agreement not to transfer his or her ownership interests in the Entity without GHC's prior written consent as required hereunder, and subject to applicable law, assignee, assignor, Franchisee, and all of its Principals shall execute a general release and indemnification agreement in favor of GHC; provided, however, that there shall not be released any pending claims for which Franchisee has either (a) filed a notice of mediation or notice of arbitration under Section 19 hereof; or (b) if such claim is not subject to mediation and arbitration pursuant to Article 19, actually filed and served GHC with notice of such claim; and

14.9.7 Franchisee must complete the List of Principals in Attachment 3 to provide the information regarding Franchisee's shareholders, partners, or members ("Principals") and their ownership interests in Franchisee.

14.10 ACKNOWLEDGMENT. Franchisee acknowledges that goodwill arising from Franchisee's use of the Marks or the System shall inure to GHC's benefit, and not to Franchisee on Termination or Expiration of this Agreement. GHC acknowledges and agrees that Franchisee has a right to sell Franchisee's business, subject to the transfer provisions in this Section 14 hereof, and to benefit from the sale of such business, and to sell Client lists developed by Franchisee, Caregiver lists developed by Franchisee, other information (to the extent permitted hereunder), and the goodwill of such business as part of the Franchise as an operating business.

15. DEFAULT AND TERMINATION

15.1 IMMEDIATE TERMINATION BY GHC. GHC may terminate this Agreement and the Franchise granted by it effective immediately upon delivery of written notice of Termination, if the Franchisee:

15.1.1 Makes an assignment for the benefit of creditors and an admission of his/her/its inability to pay his/her obligations as they become due or files a voluntary petition in bankruptcy other than a Chapter 13 bankruptcy;

15.1.2 Abandons the Franchise. The term "Abandon" includes any conduct, intentional or otherwise, which results in the Franchise failing to operate for a period of seven (7) to ten (10) calendar days without Franchisor's prior written approval;

15.1.3 Franchisee or any of Franchisee's Principals are convicted of or plead guilty or no contest to a felony or take part in any criminal misconduct relevant to the operation of the Franchise; provided, however, that if Franchisee or any of Franchisee's Principals are convicted of or plead guilty or no contest to a felony or take part in any criminal misconduct relevant to the operation of the Franchise, GHC shall not have the right to terminate this Agreement if Franchisee or such Franchisee Principal relinquishes or otherwise enters into an agreement to dispose of its ownership interest in the Franchise (pursuant to Section 14 of this Agreement) within thirty (30) days following the conviction or plea or criminal misconduct, and completes such transaction within one hundred and eighty (180) days from such conviction or plea or criminal misconduct;

15.1.4 Makes an unauthorized Transfer or Assignment of this Agreement, the Franchise, or ownership of Franchisee;

15.1.5 Makes any intentional material unauthorized use of the Marks, Operations Manual, Confidential Information, or other copyright protected or proprietary materials, or trade/business information concerning GHC operations;

15.1.6 Has made any material misrepresentations or misstatements on the application for Franchise, Franchise renewal, Transfer, Assignment, or with respect to the ownership or operation of the Franchise;

15.1.7 Violates the non-compete provisions or materially violates any confidentiality portions of this Agreement; or

15.1.8 Has committed any default under Section 15.2 at least three (3) times during any five-year period during the term of this Agreement, regardless if Franchisee has cured such defaults.

15.2 TERMINATION AFTER NOTICE AND OPPORTUNITY TO CURE. GHC may terminate this Agreement and the Franchise granted by it if Franchisee commits and fails to correct any of the following defaults after GHC provides Franchisee notice and a thirty (30) day cure period:

15.2.1 Fails to have the Franchise open and in operation within 90 days of completion of training as required by Section 5.2 above;

15.2.2 Fails to deposit all Gross Receipts into Franchisee's designated bank account on or before the due date for the weekly sales report reflecting such Gross Receipts or fails to pay GHC any monies when due hereunder;

15.2.3 Fails to pay the Minimum Performance Requirement or the required General Marketing Fee;

15.2.4 Fails to achieve the Annual Sales Performance Metric and pay Franchisor the Shortfall Fee as set forth in this Agreement;

15.2.5 Fails to immediately report to GHC any and all incidents related to the Franchise that might lead to legal action against either GHC or Franchisee;

15.2.6 Fails to maintain adequate records as required in the Manuals;

15.2.7 Fails to pass Quality Reviews by GHC for adherence to the policies, procedures, rules, and/or guidelines as set forth in the Manuals and applicable local, state, and federal regulations or fails to provide a Corrective Action Plan within thirty (30) days of Franchisee's receipt of a Notice of Deficiency;

15.2.8 Fails to adhere to any material provision of this Agreement or any specification, standard, or operating procedures prescribed by GHC;

15.2.9 Fails to operate the Franchise in accordance with any federal, state, county, or local laws; or

15.2.10 Makes any unauthorized use of the Marks, Manuals, Confidential Information, or other copyright protected or proprietary materials, or trade/business information concerning GHC operations.

15.3 *STEP IN RIGHTS.* In addition to GHC's right to terminate this Agreement, and not in lieu of such right, or any other rights GHC may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), GHC has the right, but not the obligation, to exercise complete authority with respect to the operation of the Franchise, including the right to enter upon the Franchise's office, if applicable, until such time as GHC determines, in its Reasonable Discretion that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. In the event GHC exercises the rights described in this Section, Franchisee must reimburse GHC for all reasonable costs and overhead, if any, incurred in connection with its operation of the Franchise including costs of personnel for supervising and staffing the Franchise and their travel and lodging accommodations. If GHC undertakes to operate the Franchise pursuant to this Section, (i) Franchisee agrees to indemnify and hold GHC (and GHC's representative(s) and employees) harmless from and against any fines, claims, suits, or proceedings commenced by any third-party unaffiliated with Franchisor that arise out of events occurring during Franchisee's operation of the Franchise prior to Franchisor's operation of the Franchise, regardless of when such fine, claim, suit, or proceeding is asserted, and (ii) Franchisor agrees to indemnify and hold Franchisee (and Franchisee's representative(s) and employees) harmless from and against any fines, claims, suits, or proceedings commenced by any third-party unaffiliated with Franchisee that arise out of events occurring during Franchisor's operation of the Franchise.

15.4 *ADDITIONAL ROYALTY*. In addition to GHC's right to terminate this Agreement, and not in lieu of such right or any other rights GHC may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), GHC has the right, but not the obligation, to require Franchisee to pay GHC an additional two percent (2%) of Gross Receipts in addition to the Royalty due for each week until such time as GHC determines, in its Reasonable Discretion, that the default has been cured and Franchisee is otherwise in compliance with this Agreement.

16. OBLIGATIONS ON TERMINATION OR EXPIRATION

16.1 POST-TERMINATION OBLIGATIONS. Upon Termination for cause or without cause, refusal, decision, or failure to renew or extend the Franchise Agreement, whether by the Franchisee, GHC, or Expiration of the Franchise Agreement, Franchisee is obligated within (unless otherwise specified) twenty (20) days to:

16.1.1 Deposit all outstanding Gross Receipts into Franchisee's designated bank account on or before the due date for the weekly sales report reflecting such Gross Receipts and pay any monies due to GHC hereunder;

16.1.2 Agree to continue maintenance of the designated bank account, submission of required Weekly Reports, and authorization for Franchisor to deduct Royalties and other amounts owed under the Franchise Agreement for the duration of Franchisee's continued receipt of Gross Receipts;

16.1.3 Return to GHC all Confidential Information (as defined in Section 10.1) then in the possession or control of the Franchisee;

16.1.4 Turn over to GHC, or a designated GHC agent, a copy of all Franchise records and Joint Confidential Information, including but not limited to Caregiver files, phone lists, referral sources marketing information, Rolodexes, databases, software copies, Client files, Care Recipient files, employee records, accounting records, and correspondence; provided, however that Franchisee may retain such records as necessary to comply with applicable legal requirements;

16.1.5 Destroy all branded office supplies, printed forms, stationery, banners, stamps, marketing materials, and software;

16.1.6 Take such action as may be required to cancel all assumed names or equivalent registrations relating to the use of any name or mark of or associated with the Franchise, and to notify the telephone company and listing agencies of the termination, expiration, or transfer of Franchisee's right to use all telephone numbers and all classified or other directory listings of the Franchise and direct the telephone company to transfer all such numbers and listings to Franchisor or Franchisor's designee pursuant to the Conditional Assignment of Telephone Numbers or, if Franchisor directs, to disconnect the numbers;

16.1.7 If the operation of the Franchise is to be continued by GHC or another franchisee at the same location, to turn over the lease for the premises together with receipts for payments through the date of Termination and all keys pursuant to the terms of the Collateral Assignment of Lease; provided, however, that if Franchisee or an affiliate of Franchisee owns the premises it shall lease such premises to GHC or such franchisee at fair market value. Otherwise, Franchisee shall retain the lease and all obligations related to it, including but not limited to, arranging for its cancellation and the payment of any penalties that might result, or the subletting of the premises if feasible. GHC retains the right to determine in its Reasonable Discretion whether to seek to continue the lease;

16.1.8 Disclose all leases, contracts, purchase orders, service agreements, or other contracted-for things or services that will have ongoing financial consequences to the Franchise. GHC retains the right, in its Reasonable Discretion, to determine the viability of retaining available rights under the various documents or understandings, if any, and Franchisee will be responsible for discharging any outstanding contract(s) or understanding(s) that GHC specifies is/are to be so discharged prior to Termination;

16.1.9 Discharge through date of Termination all outstanding bills, debts, obligations, contracts, leases, purchase orders, service agreements, and/or understandings not specifically retained by GHC;

16.1.10 Cease doing business under GHC's names and Marks and comply with all non-disclosure and non-competition covenants in Sections 10.1 and 17.2 hereof; and

16.1.11 Irrevocably appoint GHC as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Marks and the Confidential Information.

16.2 *OPTION TO TRANSFER IN LIEU OF TERMINATION*. GHC and Franchisee agree that, notwithstanding Section 16.1, in the event that the parties hereto agree on a Corrective Action Plan prior to the effective date of Termination or Expiration of this Agreement, Franchisee shall have up to one hundred eighty (180) days from the date of their agreement in the Corrective Action Plan (or such longer time as the parties mutually agree in writing) to complete the Transfer agreed upon in such plan.

16.3 *REVERSION OF BUSINESS TO GHC*. Upon the Termination or Expiration of the Franchise by GHC for any cause other than Transfer to another GHC franchisee or third-party, all assigned Territory and Franchise operations will immediately revert to GHC and Franchisee shall turn over to GHC a copy of the complete Franchise records on GHC's demand for same, including but not limited to, Caregiver files, referral source records, employee records, Care Recipient records, Client records, and financial records; provided, however that Franchisee may retain such records as necessary to comply with applicable legal requirements.

16.4 *OPTION TO PURCHASE PERSONAL PROPERTY*. Upon the Termination or Expiration of this Agreement, GHC, or GHC's designee shall have the right, but not the obligation, to be exercised by notice of intent to do so within sixty (60) days after Termination or Expiration, to purchase any or all physical assets of the Franchise, including furniture, fixtures, equipment, supplies, and other inventory, advertising materials, and all items bearing the Marks, at fair market value with no allowance for goodwill. If the parties cannot agree on fair market value within ninety (90) days, the determination of an independent appraiser designated jointly by GHC and the Franchisee shall be binding, and the cost of any such appraisal shall be shared equally between GHC and Franchisee. If GHC elects to exercise any option to purchase, as herein provided, it shall have the right to set off all amounts due from Franchisee under this Agreement, if any, against any payment therefore and the Franchisee's share of the cost of the appraisal, if any. All items to be purchased by GHC, if any, shall be free and clear of any and all liens, judgments, claims, or the like. If GHC exercises its option to purchase, pending the closing of such purchase, GHC has the right to appoint a manager to maintain operation of the Franchise. Franchisee is required to maintain in force the lease for the Franchise, if applicable, required under this Agreement until the date of such closing. GHC has the unrestricted right to assign this option to purchase the assets of the Franchise.

17. NON-COMPETITION & NON-SOLICITATION OBLIGATIONS

17.1 IN-TERM NON-COMPETITION AND NON-SOLICITATION COVENANTS. Franchisee shall not, during the term of this Agreement, act as an owner, partner, director, officer, employee, consultant, salesperson, representative, advisor, agent, or otherwise assist in any other capacity any agency, registry, office, or other business supplying, in whole or in part, caregiver referral, personal care, homemaking, companionship, staffing or incidental transportation services. During the term of the Franchise Agreement, Franchisee shall not, either on Franchisee's own account or for any person, firm, partnership, corporation, proprietorship, or other entity, directly or indirectly (i) solicit, interfere with, induce, attempt to induce, or endeavor to cause any agent, vendor, Client, Care Recipient, account, or referral source of Franchisee and/or GHC to terminate his or her relationship with GHC or (ii) do business with any third-party that is a competitor with GHC.

17.2 POST-TERM NON-COMPETITION AND NON-SOLICITATION COVENANTS. During the term of and for a period of one (1) year after the Termination, Expiration or Transfer of this Agreement, subject to applicable law, Franchisee shall not:

17.2.1 Act as an owner, partner, franchisee, officer, employee, consultant, salesperson, representative, advisor, agent, or in any other capacity in any agency, registry, office, or other business supplying in whole or in part caregiver referral, personal care, homemaking, companionship services, or incidental transportation services (i) within the Territory, or (ii) within twenty (20) miles of (a) boundary of the Territory being granted hereunder or (b) any other franchisee or company owned territory licensed or operated by GHC as of the date of Expiration, Transfer, or Termination of this Agreement; or

17.2.2 Solicit any Client or Care Recipient to whom Franchisee provided any Service under this Agreement during the one (1) year prior to the Termination, Expiration, or Transfer of this Agreement for any competitive business purpose. Notwithstanding the foregoing, Franchisee may, after the Transfer, Termination, or Expiration and non-renewal of this Agreement, use local contacts developed while operating the Franchise, including referral sources, provided such use is not for a competitive business purpose and otherwise does not violate the terms of Section 17.2.

17.3 PRINCIPALS', SIGNIFICANT OTHER AND FAMILY CONFIDENTIALITY & NON-COMPETITION AGREEMENTS. In the event Franchisee Transfers this Agreement to an Entity pursuant to Section 14.9 of this Agreement, Franchisee shall require each of the Entity's owners, stockholders, shareholders, managers, members, partners, board of director members, and officers to sign a Confidentiality & Non-Competition Agreement in the form attached hereto as Attachment 5 upon becoming an owner or being associated with the Entity. Franchisee shall also obtain a Confidentiality & Non-Competition Agreement from each of Franchisee's adult Family Members who have any involvement in the Franchise or access to the records and materials of the Franchise, including but not limited to the Operations Manual.

17.4 CAREGIVERS' AGREEMENTS. If applicable regulations allow, Franchisee will have all Caregivers sign a Client non-interference, non-solicitation, and non-disclosure agreement.

17.5 CONTACT WITH PROSPECTS. If at any time during the term of the Agreement, Franchisee comes into contact or communication with a franchise candidate, for instance Franchisee is contacted by the prospective franchisee candidate during that prospective franchisee candidate's validation process, Franchisee agrees that Franchisee will not solicit that candidate to purchase the Franchise or its assets without advance written permission of and involvement with GHC. In the event of such a sale of the Franchise, Franchisee agrees to assume full liability for any and all broker commissions or referral fees associated with the prospective franchisee candidate's subsequent purchase, if any.

18. RELATIONSHIP AMONG THE PARTIES & INDEPENDENT CONTRACTOR

18.1 INDEPENDENT CONTRACTOR. Franchisee is and shall be considered an independent contractor with entire ownership, control, and direction of the Franchise and its operations, subject only to the conditions and obligations established by this Agreement, the attachments and the Manuals. Franchisee is responsible for and shall have full control over the internal management and daily operation of the Franchise and neither party to this Agreement is the agent, principal, partner, employee, employer, joint employer, or joint venture partner of the other party. Franchisee may not act or represent itself, directly or by implication, as GHC's agent, partner, employee, or joint venture partner, and Franchisee may not incur any obligation on GHC's behalf or in GHC's name. Contractual agreements entered into by Franchisee shall contain Franchisee's corporate or fictitious name. Nothing in this Agreement authorizes Franchisee to make any contract, agreement warranty, or representation on GHC's behalf, or to incur any debt or other obligation in GHC's name; and GHC shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall GHC be liable by reason of any of Franchisee's acts or omissions in the operation of the Franchise or for any claim or judgment arising therefrom against Franchisee or GHC. Franchisee acknowledges and agrees that Franchisee has the sole authority and responsibility to make all personnel and employment decisions for the Franchise, including, without limitation, decisions related to hiring, training, firing, discharging, disciplining, and supervising employees, including setting their wages and hours of employment, record-keeping, and providing any benefits. GHC shall have no direct or indirect authority or control over any employment-related matters for Franchisee's employees.

18.2 CONSULTATION WITH FRANCHISEE REPRESENTATIVE GROUP. GHC agrees to consult on a periodic basis with respect to the matters of mutual interest with any Franchisee Association—i.e., any representative group of owners consisting of more than 50% of the owners that has been operating GHC Businesses for more than three years. As of January 1, 2016, the GHCFA meets this definition and is the current Franchisee Association. Franchisee agrees that GHC may consult with and consider the advice of any such group, but that GHC is not bound by its views. GHC may from time to time require that any such group of GHC Franchisees demonstrate to our reasonable satisfaction that it meets the above-described qualifications, and GHC shall have no obligation to recognize any such group that has failed or refused to so demonstrate its qualifications. Nothing contained in this Section 18.2 shall be deemed to prohibit or restrict GHC from establishing and interacting with any elected or appointed franchisee advisory board or council that qualifies as a representative franchisee group as described above, and Franchisee acknowledges that as of the date hereof, GHC has established a franchisee advisory council (referred to as the "FAC").

19. DISPUTE RESOLUTION/MEDIATION/ARBITRATION

19.1 EARLY DISPUTE RESOLUTION. GHC and Franchisee recognize that each has placed faith in the other's capacity to execute the Griswold System and that sometimes in the course of the franchise term, GHC and Franchisee may have fundamental disagreement concerning the Griswold System and its direction. Although GHC and Franchisee acknowledge that GHC is the chief steward of the Griswold System, GHC recognizes that it or a franchisee may wish to end the Franchise Relationship before the Expiration of its term. In that event, GHC and Franchisee pledge that each shall be forthright and candid with each other in an effort to end the relationship without resort to formal or adverse proceedings, and shall explore various potential resolutions of their relationship including, but not limited to, voluntary sale of Franchisee's business to a new franchisee, repurchase of Franchisee's business by GHC, and purchase by Franchisee of GHC's contract rights under this Agreement. In the event that GHC or Franchisee has a claim or dispute with the other, or with any affiliates of each other, that arise under, or relate to, this Agreement, any other agreement between them, the relationship between them, or their respective rights and obligations, then GHC or Franchisee shall provide the other party to this Agreement with a notice with the basis for such claim or dispute to the other party, along with proposed dates (that fall within thirty (30) days of such notice) for both GHC and Franchisee to meet in person and to discuss such claim or dispute. The parties shall continue to seek to resolve such claim or dispute for an additional thirty (30) days, or such longer period as they shall mutually agree on. If they fail to resolve such claim or dispute within the sixty-day period from the date of the notice of such claim or dispute, then either party may pursue mediation and arbitration as described in Sections 19.2 and 19.3 hereof, respectively.

19.2 MEDIATION AS NEXT STEP IN DISPUTE RESOLUTION. GHC and Franchisee also recognize that sometimes claims or disputes arise that should not result in either of them seeking to end the Franchise Relationship. In that event, GHC and Franchisee pledge that each shall be candid and forthright with each other in an attempt to resolve any such claims or disputes. Unless the parties otherwise agree, prior to proceeding to arbitration as provided in Section 19.3, either party shall have the right to submit to mediation claims or disputes between them, or any affiliates of either, that arise under, or relate to, this Agreement, any other agreement between them, the relationship between them, or their respective rights and obligations. Mediation must occur in Philadelphia, PA, under the mediation rules of the American Arbitration Association then in effect, unless GHC and Franchisee then agree otherwise in writing. GHC and Franchisee shall bear their own costs of mediation (e.g., lawyers, and similar expenses) and GHC and Franchisee shall equally share mediation expenses (e.g., mediator fee, room expense, and similar expenses). This agreement to mediate shall survive any Termination or Expiration of this Agreement. The parties agree that any mediation shall only be between GHC and Franchisee, and that neither will seek to join any other franchisee, or any group or class of franchisees, to the mediation, even if the disputes of other proposed participants are similar, unless the parties otherwise agree.

19.3 ARBITRATION. GHC and Franchisee also recognize that sometimes claims or disputes arise that are so fundamental that either of them may seek to have a third-party decide the claims or disputes. In that event, GHC and Franchisee agree that neither shall sue the other in a court (except as provided in Section 19.4.1), and that both must only submit claims or disputes between them to arbitration for resolution as this Section 19.3 provides. Accordingly, GHC, Franchisee and its affiliates, owners, and principals agree that all disputes, controversies, claims, or demands by one against the other shall be submitted to one arbitrator in Philadelphia, PA, under the arbitration rules of the American Arbitration Association then in effect, unless GHC and Franchisee then agree otherwise in writing. GHC and Franchisee shall bear their own costs of arbitration (e.g., lawyers and similar expenses) and GHC and Franchisee shall equally share arbitration expenses (e.g., arbitrator fee, room expense, and similar expenses).

19.4 OTHER IMPORTANT PROVISIONS APPLYING TO GHC AND FRANCHISEE.

19.4.1 Both GHC and Franchisee may seek from any court having personal and subject matter jurisdiction a writ of attachment, temporary injunction, preliminary injunction, and/or other emergency relief to safeguard and protect their respective non-economic interests, including but not limited to trademark rights, rights under restrictive covenants, confidentiality rights, any matter involving health or safety of any Care Recipient or caregiver, or state licensure.

19.4.2 Both GHC and Franchisee waive, relinquish, and give up any right to demand a jury trial of any dispute between them to avoid the delay of a jury trial and to facilitate the prompt and expeditious resolution of any claims or disputes between them.

19.4.3 Both GHC and Franchisee agree that the Eastern District of Pennsylvania shall be the only venue in which either of them may file suit against the other, and both agree irrevocably to personal jurisdiction within the District.

19.4.4 Both GHC and Franchisee agree that neither shall withhold any payment to the other, nor set aside such monies in an escrow account, on the grounds of alleged nonperformance or as an offset against any amount allegedly due the other.

19.4.5 Both GHC and Franchisee agree that each shall promptly bring to the attention of the other, and shall promptly seek resolution of, any claims or disputes arising under or relating to this Agreement or their relationship; neither wishes claims and disputes to linger, and both value the positive impact of timely addressing and resolving claims and disputes. Accordingly, both GHC and Franchisee agree that neither shall bring a claim or dispute against the other after two (2) years has expired from the act or transaction, or failure to act or omission, alleged to result in harm or injury to the other; provided that if the act or transaction, or failure to act or omission, alleged to result in harm or injury to the other was fraudulently concealed, GHC and Franchisee agree that neither shall bring a claim or dispute against the other more than two (2) years after the injured party's discovery of the act or omission that was fraudulently concealed.

19.4.6 Both GHC and Franchisee agree that neither shall seek punitive or exemplary damages against the other unless specifically provided by statute.

19.4.7 Both GHC and Franchisee agree that, in the event of arbitration and an arbitration award that identifies a prevailing party, that party shall be entitled to reasonable attorneys' fees and costs attributable to that portion of any arbitration award on which the party has prevailed.

20. NO WARRANTY BY GHC

20.1 INDEPENDENT BUSINESS. Franchisee understands that the success of the franchise undertaken by Franchisee hereunder depends largely upon the ability and efforts of the franchisee and its Principals, to operate as independent businesspersons. Franchisee expressly disclaims receipt of any warranty, express or implied, or of any claim or representation as to the potential successor profitability of the business venture herein contemplated, in making the business venture profitable without substantial effort, risk, and work by Franchisee and/or its Principals, if any.

20.2 FRANCHISEE ACKNOWLEDGEMENTS. Franchisee acknowledges entering into this Agreement after making a thorough and independent investigation of GHC and not by virtue of any representations as to levels of revenue or profits that franchisee might be expected to realize. Franchisee acknowledges that no person has made any other representation that is not expressly set forth herein or in the Franchise Disclosure Document provided to Franchisee with this Agreement in order to induce Franchisee to purchase this Franchise and execute this Agreement. Franchisee further acknowledges that it has: (i) received and evaluated all documents and information that the Franchisee has deemed appropriate and necessary; and (ii) had sufficient time and opportunity to consult with its own financial, legal, and other professional advisors with respect to this Agreement and the activities contemplated by this Agreement, and based on such review and consultation with the Franchisee's own advisors, has independently and without reliance upon Franchisor, made its own decision to enter into this Agreement.

20.3 ADDITIONAL ACKNOWLEDGMENTS. Franchisee acknowledges and agrees that

(1) the regulation of home care workers and caregivers is subject to change from time to time under federal and/or state law; (2) states have varying requirements for home care workers and caregivers (including, without limitation, requirements related to workers' compensation, unemployment insurance, and state taxes); (3) such requirements may affect the categorization of the home care worker or caregiver relationship for federal and/or state law purposes; (4) GHC will provide Franchisee with information and reasonable training to facilitate Franchisee's mandatory compliance with such laws, based upon GHC's reasonable business judgment; and (5) Franchisee acknowledges that such mandatory compliance may differ among franchisees in the System in different states.

21. MISCELLANEOUS

21.1 REPRESENTATIONS AND WARRANTIES. Franchisee and its Principals represent and warrant to GHC that: (a) neither Franchisee nor any of its Principals have made any untrue statement of any material fact nor omitted to state any material fact in obtaining the rights granted herein; (b) neither Franchisee nor any of its Principals have any direct or indirect legal or beneficial interest in any business that may be deemed a competitive business, except as otherwise completely and accurately disclosed in the Franchise application materials; (c) Franchisee and its Principals have a legal right to own and operate the Franchise; and (d) neither Franchisee nor its Principals have been designated as suspected terrorists under U.S. Executive Order 13224, or any similar anti-terrorism law. Franchisee recognizes that GHC approved Franchisee in reliance on all of the statements Franchisee and its Principals have made in connection therewith, and that Franchisee has a continuing obligation to advise GHC of any material changes in these statements and representations made to GHC in this Agreement or in the Franchise application materials.

21.2 ENTIRE UNDERSTANDING OF THE PARTIES. This Agreement contains the entire understanding of the parties and no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein shall be given any force or effect. Nothing in this Agreement or in any related agreement is intended to disclaim the information provided by GHC in the GHC Franchise Disclosure Document.

21.3 ENFORCEMENT & SEVERABILITY.

21.3.1 This Agreement shall be binding on the parties hereto and their permitted heirs, successors, and assigns. Only the Agreement itself is binding upon the parties (subject to state law); any other promises may not be enforceable. This Agreement may only be amended in writing and with the consent of both parties hereto.

21.3.2 No partial or complete failure by GHC to exercise any of its rights or powers hereunder or failure to demand strict compliance by Franchisee with any term, condition, covenant, or other obligation hereof, and no practice of the parties at variance with the terms hereof, shall constitute a waiver of GHC's rights to demand exact compliance with the terms hereof or preclude GHC from exercise of any right or remedy. Each and every right or remedy granted to GHC under this Agreement or under any other agreement, instrument, or document, or at law or in equity, shall be deemed cumulative and may be exercised from time to time. Any waiver of a default hereunder shall be in writing and shall not operate as a waiver of any other default or the same default on a future occasion.

21.3.3 If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced, by reason of any rule of law, administrative order, judicial decision, or public policy, all other conditions and provisions of this Agreement shall, nevertheless, except as hereinafter expressly set forth, remain in effect, and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein. The parties hereto agree and consent that the court or other body making such determination shall reform such covenant, term, condition, or other provision of this Agreement so as to render the same enforceable to the fullest extent permitted by law. Notwithstanding anything set forth in this paragraph, if GHC determines the unenforceability of any provision affects its basic consideration with respect to the Agreement, GHC shall have the right to terminate this Agreement.

21.4 HEADINGS. All headings in this document are intended for ease of reference only and are not to be construed otherwise.

21.5 FORCE MAJEURE. Neither party shall be deemed in default of this Agreement if its delay in performance or failure to perform any of its obligations hereunder arises from a cause that is beyond the reasonable control of the party prevented from performing, including labor strikes, transportation delays, mechanical or electronic equipment breakdowns, power failures, acts of terrorism, and acts of God; provided, however, that this provision shall not relieve Franchisee from the obligation with reasonable accommodation to pay fees and other monies payable to GHC as required hereunder, including under Section 4 hereof.

21.6 DEFINED TERMS. The defined terms listed in Attachment 1 are hereby incorporated into this Agreement and made a part hereof. To the extent that any definition in Attachment 1 is inconsistent with the definition used in this Agreement, the definition in the body of the Agreement shall govern.

21.7 NOTICES. All notices hereunder shall be in writing and shall be personally delivered by any means that affords the sender evidence of delivery or rejected delivery, including private delivery or courier service (but not electronic communication such as email). Any notice to GHC shall be addressed to its headquarters and any notice to Franchisee shall be addressed to the business address of the Franchisee, or at such other address as the parties designate by written notice to the other party. Any notice by a means that affords the sender evidence of delivery or rejected delivery shall be deemed to have been given and received at the date and time of receipt or rejected delivery.

21.8 CHOICE OF LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania unless otherwise specified and without reference to conflicts of law principles.

21.9 COUNTERPARTS. This Agreement is executed in counterparts with an original given to each party for their respective records and files.

Signatures appear on the following page.

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have set their hands and seals as of the date below. The Effective Date for this Agreement shall be the date Franchisor executes this Agreement.

FRANCHISEE:

____

By: _______________________________

Name: ____________________________

Title: _____________________________

Address: __________________________

Email: ____________________________

Telephone: ________________________

Fax: _____________________________

FRANCHISOR:

Griswold International, LLC

By:_______________________________

Name:____________________________

Title:______________________________

510 East Township Line Road,
Suite 210, Blue Bell, Pennsylvania 19422
T: 215-402-0200
F: 215-402-0202
Email:____________________________

Attachment 1

Definitions

1. **Abandon**—Any conduct, intentional or otherwise, which results in the Franchise failing to operate for a period of seven (7) to ten (10) calendar days without Franchisor's prior written approval.

2. **Agency Business Model** – The Business Model utilizing by GHC Businesses in which Franchisees directly hire Caregivers to provide Caregiver Services to Care Recipients.

3. **Agreement**—This Franchise Agreement.

4. **Assignment—**The sale, assignment, transfer, conveyance, pledge, merging, or giving away of 50% or less of any direct or indirect interest in this Agreement or in Franchisee.

5. **Brand Standards—**The standards that GHC requires for the goods and services offered under the System by Franchisee and that are associated with the Marks, as GHC determines in its Reasonable Discretion and publishes in the Manuals or otherwise in writing from time to time.

6. **Business Continuity Plan**—An annual written document plan to be prepared by Franchisee for emergency planning.

7. **Business Model**—A manner of doing business as authorized and prescribed in the Manuals that are part of the GHC System. GHC's current business models are (1) the Registry Business Model, and (2) the Agency Business Model.

8. **Care Recipient**—A customer receiving Caregiver Services.

9. **Caregiver**—A carefully screened, credentialed individual that provides Caregiver Services to Care Recipients.

10. **Caregiver Services—**Personal care, homemaking, companion care, incidental transportation, and other ancillary, supportive services provided to adult Clients requesting such services, provided by referred Caregivers.

11. **Client**—A customer paying for Caregiver Services on behalf of a Care Recipient.

12. **Common Mission**—The shared commitment by GHC and Franchisee to promote the Marks and enhance customer goodwill toward the network of GHC Businesses operating under the Marks and System, by strengthening and growing the network of GHC Businesses operating under the Marks and System and dedicated to maintaining the dignity, comfort, safety, personal hygiene, well-being, and happiness of each and every Care Recipient by referring the highest quality professional Caregivers.

13. **Confidential Information—**Defined in Section 10.1.

14. **Cooperative—**A regional advertising and promotional cooperative.

15. **Corrective Action Plan**—A written plan (1) submitted to GHC by Franchisee for correcting each

deficiency GHC lists in a Notice of Deficiency or (2) agreed upon in writing with GHC for a Transfer of the Franchise within a specified time period, in lieu of Franchisee's curing GHC's notice of default to Franchisee.

16. **Effective Date**—The date of GHC's execution of this Agreement as reflected on the signature page of this Agreement.

17. **EFT Program**—Each week, GHC will collect Royalty and other amounts due by automatically deducting all payments owed to GHC under the Franchise Agreement or any other agreement between Franchisee and GHC, from Franchisee's designated bank account.

18. **Expiration—**The end of the term of this Agreement, after which the Franchisee has no continued right to operate the business. GHC reserves the right to extend the term of the Agreement in its Reasonable Discretion.

19. **FAC**—GHC's Franchisee Advisory Council.

20. **Family Member**—A Franchisee's spouse or partner, adult children, parents, and/or siblings who have any involvement in the Franchise or access to the records and materials of the Franchise, including but not limited to the Operations Manual.

21. **Franchise**—The GHC Business operated by Franchisee under this Agreement.

22. **Franchise Relationship**—The relationship between a Franchisee and GHC under this Agreement.

23. **Franchisee Association**—Any representative group of owners consisting of more than 50% of the owners that have been operating GHC Businesses for more than three years. As of January 1, 2016, the GHCFA meets this definition and is the current Franchisee Association.

24. **Franchisee—**The adult individual(s) named on the signature page of this Agreement.

25. **Franchisee Entity**—A legal entity such as a corporation, partnership, or limited liability company formed by a Franchisee.

26. **Franchisee Indemnitees—**Defined in Section 13.

27. **Franchisee Indemnitor**—Defined in Section 13.

28. **Franchisee Liabilities** – Defined in Section 13.

29. **Franchisee Services**—The identification, recruitment, placement, facilitation, and/or consultation with respect to homecare services provided by Franchisee to Clients and/or Care Recipients consistent with the Business Model approved in the Franchisee's Territory, and in accordance with applicable law.

30. **Franchisee's Principals**—A Franchisee's shareholders, partners, or members with ownership interests in the Franchise.

31. **Franchisor or GHC—**Griswold International, LLC.

32. **Franchisor Indemnitees**—Defined in Section 13.

33. **Franchisor Indemnitor—**Defined in Section 13.

34. **Franchisor Liabilities**—Defined in Section 13.

35. **General Marketing Fee**—A weekly fee payable by Franchisee to the General Marketing Fund as described in 12.2.1

36. **General Marketing Fund—**A fund to which Franchisees pay a General Marketing Fee, which is maintained and administered by GHC to develop branded marketing programs and tools to support and promote the Franchisee Services and Caregiver Services in venues such as online, print, and public relations forums or as otherwise provided this Agreement.

37. **GHC Business**—A franchised business offering the Services and using the Systems and Marks within a designated territory.

38. **GHCFA**—The Griswold Homecare Franchise Association.

39. **Gross Receipts**—The aggregate of all amounts received by Franchisee as a result of the provision of all Services and goods provided by the Franchise during the preceding reporting period, whether in cash or for credit. Gross Receipts does not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts does not include Client reimbursements to Franchisee for actual expenses (e.g. mileage) paid by Franchisee on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill.

40. **Guiding Principles—**Franchisee should respect GHC's ownership of the System, including the Marks, trade secrets, Confidential Information, and the associated goodwill, and GHC's rights to determine the nature and quality of the products and services sold under the Marks, to control the manner in which the Marks are used and to enforce System standards. GHC should respect Franchisee's interest in the going concern value of the Franchise.

41. **Initial Franchise Fee**—The initial fee payable by Franchisee to GHC on execution of this Agreement, as described in Section 4.1 of this Agreement, and specified in Attachment 3 of this Agreement.

42. **Joint Confidential Information**—Defined in Section 10.1.

43. **Letter of Intent**—A written document from the Franchisee provided to GHC setting forth the price, payment terms, and other material contract terms Franchisee will accept in connection with its proposed to Transfer of the Franchise to a third-party.

44. **Local Marketing Requirement—**Defined in Section 12.3.

45. **Manuals**—The Manuals consist of the GHC's Operations Manuals, State Compliance Manuals, and any other manuals.

46. **Marks—**The "GRISWOLD HOME CARE" name and such other trademarks, trade names,

service marks, logos, insignia, trade dress, and designs now existing and which may be designated by GHC for use in the future.

47. **Minimum Performance Requirement**—The minimum amount of Royalties payable to GHC under this Agreement as described in Section 4.3.1.

48. **Notice of Deficiency**—The Notice detailing deficiencies that GHC issues Franchisee in the event that a Franchisee fails to satisfactorily pass any Quality Review.

49. **Opening Date—**The date the Franchisee commences business operations, by conducting referral source marketing, Caregiver recruiting, and/or servicing Clients. Franchisee must commence business operations on or before ____________.

50. **Operations Manual**—Manual containing key information about the GHC System, including various required and recommended policies, procedures, rules, and guidelines promulgated from time to time by GHC, the federal government, and other obligations of the Franchisee under the Franchise Agreement, GHC's System, and the operation of the Franchise.

51. **Principals—**A Franchisee's shareholders, partners, or members with ownership interests in the Franchise.

52. **Quality Reviews**—The periodic reviews GHC conducts on the Franchisee's operations, focusing on office procedures, records, and file contents, including interviews with staff, Clients, Care Recipients, and Caregivers. Quality Reviews may include the "monitored or recorded for quality assurance purposes" telephone calls to Clients or Care Recipients.

53. **Reasonable Discretion—**Franchisor's "Reasonable Discretion" as used in this Agreement means the exercise of any discretion afforded by this Agreement in a manner consistent with the reasonable business judgment of GHC and the Guiding Principles in the recitals.

54. **Reasonable Discretion with Consultation**—Franchisor's "Reasonable Discretion with Consultation" as used in this Agreement means to exercise any discretion afforded by this Agreement in a manner consistent with the reasonable business judgment of GHC, and to consult on a periodic basis with respect to the matters of mutual interest with any Franchisee Association.

55. **Regional/National Contracts**—Any national or regional contracts with third-party payer, large scale, or multi-territory referral contracts that afford GHC offices, among other things, an expanded referral network and Client base.

56. **Registry Business Model—**The Business Model utilized by GHC Businesses in which Franchisees identify and refer independent Caregivers to Clients to provide Caregiver Services.

57. **Royalty—**The percent of Gross Receipts or minimum amount(s) payable to GHC under this Agreement as described in Section 4.3.1.

58. **Services**—Caregiver Services and Franchisee Services.

59. **Software Fee**—The first-year software fee and the continuing software fees payable by Franchisee to GHC or other third-party as described in Attachment 3.

60. **Sole Discretion**—The term "sole discretion" with respect to any determination to be made by a

party under this Agreement shall mean the sole and absolute discretion of such party, without regard to any standard of reasonableness or other standard by which the determination of such party might be challenged.

61. **State Compliance Manual**—Manual containing information relative to the state in which Franchisee operates, and GHC's requirements for operation of a GHC Business operating under the Marks and the System in the state(s) in which Franchisee's business is located.

62. **System**—GHC's proprietary business system under which (1) Franchisees identify people in need of assistance and match them with Caregivers, who provide Caregiver Services to a Care Recipient and (2) provide consultation to Clients and/or Care Recipients on an ongoing basis consistent with the Business Model approved in the Franchisee's Territory, and respecting applicable law.

63. **Termination—**The ending of this Agreement prior to the completion of its term, after which the Franchisee has no continued right to operate the Franchise.

64. **Territory**—The identified geographic area specified in Attachment 2 of this Franchise Agreement, within which Franchisee must operate the Franchise under the terms and conditions of this Agreement, and in which GHC agrees that it will not establish, or license any other person to establish, another Franchise authorized to provide Franchisee Services.

65. **Territory Name**—The name for Franchisee's Territory as agreed upon at signing and designated in Attachment 2 of this Agreement.

66. **Transfer**—The sale, assignment, transfer, conveyance, pledge, merging, or giving away of more than 50% of any direct or indirect interest in this Agreement or in Franchisee, or in all or substantially all of the assets of the Franchise.

67. **Transfer Fee**—The fee payable to GHC by the Franchisee in connection with any Transfer.

68. **Unassigned Territory**—An area which is not assigned to any franchisee for the provision of Services.

69. **Weekly Reports** – The weekly sales reports, financial statements, and other business reports and records that must be submitted by Franchisee each week for the Territory in the formats and methods prescribed by GHC.

70. **Unassigned Territory**—An area which is not assigned to any franchisee for the provision of Services.

Attachment 2

Franchise Territory Description, Name & Map

(see attached map and description)

Attachment 3

Initial Fees, Discounts, and Principal's Ownership

Initial Franchise Fee: $__________________________

Discounts:

Software Fees. The first year of Software Fees is due to GHC two weeks prior to attending HomeCare Academy® in the amount of $1,750.00. Thereafter commencing in the 13th month after the Opening Date, Franchisee shall pay GHC or its designated vendor a monthly Software Fee. Currently, the Software Fee is $8.00 per Care Recipient, per month.

Principals. The following is a complete list of all of the Principals of Franchisee and the percentage ownership interest of each individual:

Name	Ownership Interest
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________
____________________	____________________

Attachment 4

ELECTRONIC FUNDS WITHDRAWAL AUTHORIZATION

Bank Name: ______________________________

ABA#: ______________________________

Acct. No.: ______________________________

Acct. Name: ______________________________

Effective as of the date of the signature below, **FRANCHISEE** hereby authorizes Griswold International, LLC ("Company") or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Company due under the Franchise Agreement: (1) all Royalty Fees; (2) all contributions to the General Marketing Fund or other advertising contribution; and (3) all other amounts due under the Franchise Agreement or any other agreement between Company and **FRANCHISEE**. Such withdrawals shall occur on a weekly basis, or on such other schedule as Company shall specify in writing. Company is also authorized to deposit funds into the above-referenced account, electronically or otherwise. This authorization shall remain in full force and effect until terminated in writing by Company. **FRANCHISEE** shall provide Company, in conjunction with this authorization, a voided check from the above-referenced account.

AGREED:

FRANCHISEE:

By: ______________________________

Print name: ______________________________

Its: ______________________________

Attachment 5

Confidentiality & Non-Competition Agreement

(for shareholders, officers, directors,
general partners, members, and managers of Franchisee)

NOTE: FRANCHISEE NEEDS TO COPY THIS AGREEMENT FOR, AND HAVE IT COMPLETED AND EXECUTED BY, ITS SHAREHOLDERS, OFFICERS, DIRECTORS, GENERAL PARTNERS, MEMBERS, AND MANAGERS, AS APPLICABLE, BEFORE COMPLETING AND EXECUTING IT CONCURRENTLY WITH THE SIGNING OF THE FRANCHISE AGREEMENT.

In consideration of my being a shareholder, officer, director, general partner, member, or manager of the Franchisee, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:______________________________, doing business as (the "Franchisee"), has acquired the right and franchise from Griswold International, LLC ("GHC") to establish and operate a *GRISWOLD HOME CARE®* franchise pursuant to the terms of a Franchise Agreement (the "Franchise Agreement") with GHC and receives compensation and material and significant benefit, from its Franchise Agreement andrelationship with GHC ("Franchisee Relationship"); and GHC has compiled, prepared and maintained, at significant cost and expense, confidential and proprietary non-public information (as further defined below, "Confidential Information") including, without limitation, client information, caregiver rosters, systems, referrals and contacts, manuals, tactics, strategies, and material; and the Parties acknowledge obligations under applicable common, state, and federal privacy law including HIPAA; and GHC desires to make and continue to make available certain Confidential Information to Franchisee in the course of their continuing relationship, which information Franchisee acknowledges she/he would not otherwise have access for use.

1. **<u>Confidential Information</u>.** The term "Confidential Information" shall be deemed to include, without limitation, all confidential and proprietary information, whether oral or written, via computer disk or electronic media or otherwise, that is owned, licensed by, or relates to GHC or its business, and such Confidential Information shall be deemed to also include, without limitation, all trade secrets, know-how, and other intellectual property and proprietary rights; drawings, computer programs, secret inventions, processes, and compilations of information, records, and specifications; planning and strategic information; historical and projected financial information; profit and sales data; operating data; organization and product cost structures; strategic sales, marketing, business and management plans; customer discounts and rebate programs; customer and client information (including customer and client name, address, contact information, investment information and data, and financial information); and customer lists, supplier information, and supplier lists, business strategies, the Operations Manual (and all information contained in the Operations Manual)**;** and any other non-public information that is owned, licensed by, or relates to GHC or its business.

2. **<u>Nondisclosure</u>.** As a shareholder, officer, director, general partner, member, or manager of the Franchisee, I understand and agree on behalf of myself and any spouse, children, parents, or siblings (each a "Family Member") that all Confidential Information is non-public, confidential, and proprietary and has been prepared and maintained by GHC at significant cost and expense and that any breach of this Agreement will result in immediate and irreparable harm to GHC. Without the prior written approval of GHC, in no event shall I or any Family Member, directly or indirectly: (1) use the Confidential Information or (2) disclose, discuss, or disseminate the Confidential Information to any third-party person, firm, or entity. The

provisions of this paragraph shall be binding during the term of my position with the Franchisee and shall survive and be binding from and after the term of my position with the Franchisee. I will give immediate written notice to GHC of any disclosure requirement by a court or government agency in order to allow GHC an opportunity to respond to such requirement. I further acknowledge and agree that client and customer Confidential Information is confidential to the respective client and customer and that any unauthorized use or disclosure of such client and customer Confidential Information would be a violation of GHC's policies as well as applicable federal and state laws.

3. **Non-competition**. During the term of the Franchisee Relationship, and for a period of one (1) year from and after the date of termination of the Franchisee Relationship for any reason or my relationship with Franchisee, I shall not, for any reason whatsoever, either on my own account or for any person, firm, partnership, corporation, or other entity, directly or indirectly (including with or through any Family Member, affiliate, or third-party) own, manage, operate, control, be employed by, perform services for, advise, or consult with or for, solicit business for, participate in or be connected with the ownership, management, operation, or control of, any business that sells products or services materially similar to or competitive with those products or services sold or provided by GHC, nor act as an owner, partner, franchisee, officer, employee, consultant, salesperson, representative, advisor, agent, or in any other capacity in any agency, registry, office, or other business supplying in whole or in part personal care, homemaking, and companionship services (i) within the Territory, or (ii) within twenty (20) miles of (a) boundary of the Territory being granted hereunder or (b) any other franchisee or company owned territory licensed or operated by GHC at the time of the termination of my position with Franchisee.

4. **Non-solicitation.** During the term of my position with Franchisee, and for a period of one (1) year from and after the date of termination of my position with Franchisee for any reason whatsoever, I shall not, either on my own account or for any person, firm, partnership, corporation, or other entity, directly or indirectly (including with or through any Family Member, affiliate, or third-party) solicit, interfere with, induce, attempt to induce, or endeavor to cause any agent, vendor, client, care recipient, account, or referral source of Franchisee and/or GHC to leave his or her relationship with GHC nor to do business with any third-party that is a competitor with GHC.

5. **Non-disparagement of GHC.** During the term of my position with Franchisee, and for a period of two (2) years from and after the date of termination of my position with Franchisee, for any reason whatsoever, I shall not in any public forum disparage or make negative statements (or induce or encourage others to disparage or make negative statements) about GHC or any of its past or present franchisees, managers, employees, offices, directors, owners, agents, attorneys, representatives, successors, and assigns, including, without limitation, disparaging any of such parties in connection with the facts or circumstances surrounding any termination of the Parties' relationship, nor criticizing GHC's business strategies, materials, Marks, System, Services, or Confidential Information.

6. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflict of laws principles. The invalidity or unenforceability of any provision of this Agreement by a court of competent jurisdiction shall not affect the validity of the remainder of this Agreement, which shall at all times remain in full force and effect.

7. **Enforceability**. If any part or provision of this Confidentiality Agreement or its application to any party or circumstance is held by any rule of law, administrative order, judicial decision, or public policy to

be invalid, illegal, or unenforceable to any degree or extent, the validity, legality, and enforceability of the rest and remainder of this agreement and the application of that provision or term to that party or other parties or to that or other circumstances is not affected or impaired in any way and is to be enforced to the maximum and fullest extent and degree permitted by the applicable law.

8. Miscellaneous.

a. GHC is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause GHC and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or GHC may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and GHC all the costs it/they incur(s), including, without limitation, attorney's fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and GHC, any claim I have against the Franchisee or GHC is a separate matter and does not entitle me to violate or justify any violation of this Agreement.

b. This Agreement may be assigned by GHC to an entity affiliated with, or controlled directly or indirectly by, GHC and will be deemed valid and enforceable without the consent of Franchisee. No rights of Franchisee shall be assigned or assignable by voluntary or involuntary assignment.

Signatures appear on the following page.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year here below.

Signature:____

Name:____

Address:____

Title:____

ACKNOWLEDGED BY FRANCHISEE

By:_______________________________

Name:____________________________

Title:_____________________________

EXHIBIT B-2

ADDENDUM TO AGENCY FRANCHISE AGREEMENT FOR EXISTING FRANCHISEES THAT SIGNED ON OR AFTER JANUARY 1, 2018

ADDENDUM
TO GRISWOLD HOME CARE AGENCY FRANCHISE AGREEMENT FOR EXISTING FRANCHISEES THAT SIGNED ON OR AFTER JANUARY 1, 2018

This Addendum (the "Addendum") is made and entered into on the date on the signature page of this Addendum (the "Effective Date"), by and between Griswold International, LLC, a Delaware limited liability company ("Franchisor" or "GHC"), and the adult individual(s) named on the signature page of this Addendum ("Franchisee" or "you").

BACKGROUND

A. GHC is the national franchisor of businesses that identify, recruit, and place carefully screened, credentialed individuals who provide personal care, home-making, companion care, incidental transportation, and other ancillary, supportive services to care recipients, under the "Griswold Home Care" mark.

B. GHC grants qualified persons the right to open, own and operate franchised businesses under the "Griswold Home Care" mark within a designated territory (each, a "GHC Business") under one of two models: (1) the "Agency Business Model" in which Franchisees directly hire Caregivers to provide Caregiver Services to Care Recipients; or (2) the "Registry Business Model" in which Franchisees identify and refer Caregivers to Clients to provide Caregiver Services.

C. Franchisee currently operates a GHC Business pursuant to a franchise agreement dated ________________________(the "Prior Agreement") with GHC, or one of its predecessors, in the territory referred to as______(the "Territory"). The GHC Business has been operating since its Original Opening Date.

D. Franchisee has requested, and GHC has agreed to grant, Franchisee the right to continue operating its GHC Business under Agency Business Model for the remainder of its existing term, or if the Prior Agreement has expired, for a 5-year renewal term, by executing, on the Effective Date of this Addendum, GHC's current form of Agency Business Model franchise agreement (the "Franchise Agreement"), as amended by the terms and conditions of this Addendum.

E. Alternatively, Franchisee has requested, and GHC has agreed to grant, Franchisee the right to convert its Registry Business Model Franchise to an Agency Business Model Franchise and to operate such converted business for a 10-year term, by executing, on the Effective Date of this Addendum, GHC's current form of Franchise Agreement, as amended by the terms and conditions of this Addendum.

NOW THEREFORE, in consideration of the mutual promises made herein and other good and valuable consideration the parties agree as follows:

1. FEES. Attachment 3 of the Franchise Agreement is hereby deleted in its entirety and replaced with Exhibit A to this Addendum (Attachment 3).

2. INITIAL TERM. Section 2.1 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following.

TERM. The term of this Agreement shall expire on_______________________.

3. TRAINING. The first sentence of Section 3.1 of the Franchise Agreement is deemed not applicable for this Franchise Agreement and is hereby deleted in its entirety.

4. INITIAL FRANCHISE FEE. Section 4.1 of the Franchise Agreement is deemed not applicable for this Franchise Agreement and is hereby deleted in its entirety.

5. ROYALTY. Sections 4.2.1, 4.2.2, and 4.2.3 of the Franchise Agreement are hereby deleted and replaced with the following:

4.2.1 In addition to the Initial Franchise Fee, in consideration of GHC's granting Franchisee the Franchise and the ongoing services to be provided to Franchisee, Franchisee shall pay GHC a weekly royalty (the "Royalty") for goods and services provided hereunder. The Royalty shall be in an amount equal to the greater of (i) four percent (4%) of Franchisee's Gross Receipts, or (ii) $100 per week (the "Minimum Performance Requirement").

4.2.2 The GHC Business has been operating since its original opening date of ________________________ ("Original Opening Date"). In addition to the Initial Franchise Fee, in consideration of GHC's granting Franchisee the Franchise for the Territory, Franchisee is also required to achieve certain annual minimum sales quotas ("Annual Sales Performance Metric") based on the number of calendar years after the Original Opening Date as set forth in the table below:

Calendar Year (from Original Opening Date)	**Annual Sales Performance Metric**	**Annual Royalty**
First Calendar Year	N/A	N/A
Second Calendar Year	$150,000	$6,000
Third Calendar Year	$250,000	$10,000
Fourth Calendar Year	$300,000	$12,000
Fifth Calendar Year	$350,000	$14,000
Sixth Calendar Year	$400,000	$16,000
Seventh Calendar Year	$450,000	$18,000
Eighth Calendar Year	$500,000	$20,000
Ninth Calendar Year	$550,000	$22,000
Tenth and Each Subsequent Calendar Year	$600,000	$24,000

If Franchisee fails to achieve its Annual Sales Performance Metric, then Franchisor may, in its Sole Discretion, demand that Franchisee pay a shortfall fee. The shortfall fee is calculated by taking the Annual Royalty set forth in the table above and subtracting from that amount the amount

Franchisee paid in royalties during the applicable calendar year. The difference between Franchisee's Annual Royalty and the amount Franchisee paid in royalties during the applicable calendar year is the shortfall fee ("Shortfall Fee").

Franchisor will have 180 days after the end of each calendar year to demand payment of the Shortfall Fee. Franchisee will have 30 days after the date it receives Franchisor's demand to pay the Shortfall Fee. Failure to pay the Shortfall Fee is a default of this Agreement.

4.2.3 In the event that the four percent (4%) of Franchisee's Gross Receipts does not meet the Minimum Performance Requirement in any week, Franchisee is responsible for paying the Minimum Performance Requirement;

6. SOFTWARE FEES. Section 4.3 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

> *SOFTWARE FEES*. Upon execution of this agreement, Franchisee shall pay GHC or its designated vendor a monthly continuing software fee ("Software Fee") identified on Attachment 3 to this Agreement. The Software Fee and the designated software vendor shall be determined in GHC's Reasonable Discretion, and are subject to review by GHC's software selection committee.

7. OPENING OF THE FRANCHISED BUSINESS. Section 5 of the Franchise Agreement is deemed not applicable for the purposes of this Franchise Agreement and is hereby deleted in its entirety. GHC and Franchisee acknowledge and agree that there shall be no interruption in the operation of the Franchise between the expiration of the Prior Franchise Agreement and the execution of the Franchise Agreement.

8. CONDITIONAL ASSIGNMENT. Franchisee hereby represents and warrants that the telephone number and email address in the Prior Franchise Agreement remain in effect and the parties hereto agree the Conditional Assignment of Franchisee's Telephone Numbers in such agreement shall continue throughout the term hereof. If such phone number or email are no longer in effect, Section 6.2.18 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

> Execute by the Effective Date of this Agreement the Conditional Assignment of Franchisee's Telephone Numbers, which permits the immediate transfer of all of the telephone numbers and email addresses utilized by Franchisee in the operation of its Franchise to GHC upon Expiration, Termination or Transfer of the Franchise.

9. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE. Section 6.4 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

> GHC does not require Franchisee to participate personally in the direct day-to-day operation of the Franchise, provided that the Franchise must at all times be under the direct supervision of a manager who has satisfactorily completed the GHC initial training and devotes full time and effort to the management of the Franchise. Franchisee or Franchisee's manager shall also attend such refresher training as required by GHC under Section 3.1 hereof. Franchisee will be responsible for arranging and paying for the lodging, travel, meals, and other expenses incurred in connection with the initial and subsequent training. Such manager must also execute the Confidentiality, Non-Competition, and Non-Disclosure Agreement described above.

10. LIMITATIONS ON GRANT. Section 6.7 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

> *LIMITATIONS ON GRANT*. The grant in Section 1 of this Agreement does not include (i) any right to establish an independent website or to create, register, or use a domain name incorporating the Marks or any variation thereof, except to the extent GHC has previously approved in writing, and except for a website previously approved in writing by GHC and used by Franchisee in connection with the Franchise' prior to the date of this Agreement; or (ii) any right to distribute, market, or implement GHC's products and services in any channel of distribution not specifically permitted by this Agreement.

11. GENERAL MARKETING FUND. Section 12.2.1 of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

> Commencing on the Effective Date, Franchisee shall pay GHC a weekly "General Marketing Fee" the greater of seventy-five dollars ($75) or one half of one percent (0.5%) of Gross Receipts to a general marketing fund (the "General Marketing Fund"). In the event that Franchisee operates GHC Businesses in more than one territory under the Marks and System, Franchisee may aggregate the General Marketing Fees for all such GHC Businesses for the weekly period for purposes of determining the greater of seventy-five dollars ($75) or one half of one percent (0.5%) of Gross Receipts under each Franchise Agreement.

12. FAILURE TO OPEN. Section 15.2.1 of the Franchise Agreement is deemed not applicable for this Franchise Agreement and is hereby deleted in its entirety.

13. DEFINITIONS. Attachment 1 of the Franchise Agreement, is amended as follows:

i. The term "Opening Date" and its definition are deemed not applicable for this Franchise Agreement.

ii. The term "Initial Franchise Fee" and its definition are deemed not applicable for this Franchise Agreement.

iii. The term "Software Fees" and its definition are deleted in their entirety and replaced with the following:

Software Fees – The continuing software fees payable by Franchisee to GHC as described in Attachment 3.

14. MUTUAL RELEASE. In consideration of GHC's grant and your acceptance of a renewal term, and in consideration of the mutual promises contained herein, you, your affiliates, and your respective officers, directors, members, shareholders, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, hereby release GHC, its affiliates, and its respective officers, directors, shareholders, members, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, of and from any and all actions, causes of action, suits, claims, damages, expenses, debts, bills, covenant, contracts, controversies, agreements, promises, judgments or demands which you may have ever had, or now have; and GHC, its affiliates, and their respective officers, directors, shareholders, members, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, herby release you, your affiliates, and your respective officers, directors, members, shareholders, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf of and from any and all actions, causes of action, suits, claims, damages, expenses, debts, bills, covenant, contracts, controversies, agreements, promises, judgments or demands which GHC may have ever had, or now have. This release does not apply to any liability arising from the offer and sale of the Franchise Agreement, or any liability arising under the Franchise Agreement.

15. ENTIRE AGREEMENT. This Addendum has been negotiated by the parties and constitutes the entire agreement regarding the subject matter hereof and supersedes all prior oral and written agreements among the parties. To the extent that the terms of this Addendum conflict with the terms of the Franchise Agreement, this Addendum shall control. All other terms and conditions of the Franchise Agreement remain unchanged and in full force and effect. This Addendum may only be modified in a writing signed by all parties hereto.

[Signature Page Below]

AGREEMENT

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have set their hands and seals as of the date below. The Effective Date for this Addendum shall be the date Franchisor executes this Addendum.

FRANCHISEE:

____

By: ________________________________

Name: ______________________________

Title: ______________________________

Address: ____________________________

Email: ______________________________

Telephone: __________________________

Fax: ______________________________

FRANCHISOR:

Griswold International, LLC

By:________________________________

Name:______________________________

Title:______________________________

510 East Township Line Road,
Suite 210, Blue Bell, Pennsylvania 19422

T: 215-402-0200

F: 215-402-0202

Email:_____________________________

EXHIBIT A

ATTACHMENT 3

(See attached.)

Attachment 3

Initial Fees, Discounts, Other Payments, and Principal's Ownership

Initial Franchise Fee: $______________________

Discounts:

Software Fees. Franchisee shall pay GHC or its designated vendor a monthly Software Fee. Currently, the Software Fee is $8 per Care Recipient, per month.

Principals. The following is a complete list of all of the Principals of Franchisee and the percentage interest of each individual:

Name	Ownership Interest

EXHIBIT B-3

ADDENDUM TO AGENCY FRANCHISE AGREEMENT FOR EXISTING FRANCHISEES THAT SIGNED BEFORE JANUARY 1, 2018

RENEWAL ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE AGREEMENT FOR FRANCHISEES THAT SIGNED BEFORE JANAUARY 1, 2018

This Addendum (the "Addendum") is made and entered into on ________________ (the "Effective Date"), by and between: (i) Griswold International, LLC, a Delaware limited liability company ("Franchisor" or "GHC"); and (ii) ____________________, a ______ _________________________ ("Franchisee" or "you").

BACKGROUND

A. Franchisor is the national franchisor of businesses that identify, recruit, and place carefully screened, credentialed individuals who provide personal care, home-making, companion care, incidental transportation, and other ancillary, supportive services to care recipients, under the "Griswold Home Care" mark.

B. Franchisor grants qualified persons the right to open, own, and operate franchised businesses under the "Griswold Home Care" mark within a designated territory (the "Franchised Business").

C. Franchisee has executed a franchise agreement with Franchisor prior to January 1, 2018, and requested the right to continue operating its Franchised Business for a 5-year renewal term, by executing, on the Effective Date of this Agreement, Franchisor's current form of franchise agreement (the "Franchise Agreement"), as amended by the terms and conditions of this Addendum.

NOW THEREFORE, in consideration of the mutual promises made herein and other good and valuable consideration, Franchisor and Franchisee agree as follows:

1. **Background; Definitions.**

a. The parties agree and acknowledge that the Background portion of this Agreement, including all definitions, representations and provisions set forth therein, is hereby incorporated by reference as if fully set forth in this Section.

b. For purposes of this Agreement, if a capitalized term in this Agreement is not specifically defined herein, that term will be given the same definition that the term is afforded in the Franchise Agreement, as applicable.

2. **Initial Term.** Section 2.1 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 2.1 *INITIAL TERM.* The term of this Agreement is for a period of five (5) years from the Effective Date.

3. **Renewal Terms.** Section 2.2 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 2.2 *RENEWAL TERMS*. Franchisee may renew its Franchise for additional five (5) year renewal terms, if in compliance with the following conditions in this Section 2.2. There is no fee associated with renewing the Franchise Agreement. GHC agrees to give Franchisee six (6) months' notice of the expiration of this Agreement. To be eligible to renew its Franchise, Franchisee must:

4. **Training.** Section 3.1 of the Franchise Agreement is hereby removed in its entirety.

5. **Initial Franchise Fee.** Section 4.1 of the Franchise Agreement is hereby removed in its entirety.

6. **Royalty.** Section 4.2.1 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

4.2.1 In consideration of GHC's granting Franchisee the right to continue operating its GHC Business under the Agency Business Model and the ongoing services to be provided to Franchisee, Franchisee shall pay GHC a weekly royalty (the "Royalty") for goods and services provided hereunder. The Royalty shall be the greater of (i) four percent (4%) of the Franchise's Gross Receipts (as defined below in Section 4.2.3), or (ii) $100 per week (the "Minimum Royalty"). Notwithstanding the foregoing, the Royalty payable to GHC on the portion of Gross Receipts derived from either a Day Rate Payment or an 80-Hour Case shall be reduced to three and three-quarters percent (3.75%).

7. **Royalty.** Section 4.2.2 of the Franchise Agreement is hereby removed in its entirety.

8. **Gross Receipts.** Section 4.2.3 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

4.2.3 "Gross Receipts" is defined as the aggregate of all monies received by Franchisee as a result of the provision of all Services and goods provided by the Franchise during the preceding reporting period, whether in cash or for credit. Gross Receipts does not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts does not include Client reimbursements to Franchisee for actual expenses (e.g. , mileage) paid by Franchisee on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill;

9. **Bank Account.** Section 4.2.4 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

Franchisee will be required to establish a designated bank account which shall be used exclusively for the depositing of all Gross Receipts. Franchisee shall send GHC weekly sales reports of Franchisee's Gross Receipts for the prior week as required under Section 11 hereof on such day and in such form as GHC requires in writing. Franchisee's submission of its weekly sales report to GHC shall authorize GHC to deduct the weekly Royalty fee set forth in the weekly sales report from Franchisee's designated bank account as part of Franchisor's EFT Program (as defined below). Franchisee is required to deposit all Gross Receipts for the prior week into the bank account, including cash, checks, and credit card receipts, on or before the due date for such weekly sales report;

10. **Annual Performance Metric.** Section 4.3 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

4.3.1 Starting with the first full calendar year following the Effective Date, and for each subsequent calendar year thereafter, the Franchise must achieve the minimum annual Gross Receipts (the "Annual Performance Metric") for such calendar year, as set forth in the following table:

Calendar Year	Annual Performance Metric	Annual Royalty
2024	$150,000	$6,000
2025	$300,000	$12,000
2026	$400,000	$16,000
2027	$500,000	$20,000
2028 and each subsequent calendar year	$600,000	$24,000

If the Franchise fails to meet the Annual Performance Metric for a calendar year, Franchisee will be subject to a "Shortfall Fee" equal to the difference between the Annual Royalty for the applicable calendar year (as shown in the table above) and the total Royalty actually paid to GHC under this Agreement during such calendar year. Franchisee must: (i) within thirty (30) days after the end of each such calendar year, separately report to GHC the Gross Receipts achieved by the Franchise in the Territory during such calendar year, if not already reported separately; and (ii) within forty-five (45) days of the end of such calendar year, pay the Shortfall Fee to GHC, subject to the provisions of Sections 4.3.2, 4.3.3, and 4.3.4 hereof.

4.3.2 If the Franchise fails to meet the Annual Performance Metric for any of the first, second, or third calendar years following the Effective Date, then Franchisee shall, in lieu of paying the applicable Shortfall Fee, spend an amount equal to the applicable Shortfall Fee on additional local marketing, promotional, and advertising activities, including, without limitation, digital leads, search engine optimization, and other advertising in the Territory during the subsequent calendar year, and shall provide documentation satisfactory to GHC evidencing the required expenditures (the, "Additional Advertising Requirement"). Any such expenditures shall be in addition to the Local Marketing Requirement described in Section 12.3 of this Agreement.

4.3.3 If the Franchise fails to meet the Annual Performance Metric for any of the first five (5) calendar years following the Effective Date, then GHC will waive the first three thousand dollars ($3,000) of the applicable Shortfall Fee if: (i) Franchisee's Principals attend and satisfactorily complete the next HomeCare Academy® training session scheduled by GHC (the "Supplementary Training Option"); and (ii) Franchisee's Principals have not previously utilized this Supplementary Training Option for the Franchise or for another GHC Business that they operate. For the avoidance of doubt, any Shortfall Fee amount beyond three thousand dollars ($3,000) will be subject to the Additional Advertising Requirement described in Section 4.3.2, if applicable, or shall be paid to GHC in accordance with Section 4.3.1.

4.3.4 If Franchisee or its Principals own GHC Businesses operating under the Agency Business Model in other territories pursuant to Franchise Agreements executed prior to January 1, 2018, then Franchisee may aggregate the performance of those GHC Businesses with the Franchise for purposes of determining whether the Annual Performance Metrics applicable to each such GHC Business have been met, as further set forth in Attachment 6.

11. **Software Fees.** The following Section is hereby added as Section 4.4 to the Franchise Agreement:

4.4 *SOFTWARE FEES.* Upon execution of this Agreement, Franchisee shall pay GHC or its designated vendor a monthly continuing software fee (the "Software Fee"). The Software Fee and the designated software vendor shall be determined in GHC's Reasonable Discretion and are subject to review by GHC's software selection committee.

12. **Continued Operation of Franchised Business.** The heading of Section 5 of the Franchise Agreement is hereby changed to "Continued Operation of Franchised Business".

13. **Operating Obligations.** Section 5.1 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

5.1 *OPERATING OBLIGATIONS.* In consideration of GHC's grant and Franchisee's acceptance of a renewal term, and in consideration of the mutual promises contained herein:

5.1.1 Franchise must maintain any necessary state and/or local licensing requirements, at Franchisee's cost;

5.1.2 Franchise must operate and maintain a physical office location within its Territory, in a condition approved in advance by GHC. However, subject to state and local law, if

Franchisee is (i) meeting its obligations and minimums under this Agreement (including, without limitation, avoiding application of the Minimum Royalty, and meeting the Annual Performance Metrics), and (ii) is not otherwise in default of this Agreement, the Franchisee shall not be required to maintain a physical office location, within the Territory, or otherwise.

5.1.3 Franchisee, Franchisee's affiliates, and their respective officers, directors, members, shareholders, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, hereby release GHC, its affiliates, and their respective officers, directors, shareholders, members, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, of and from any and all actions, causes of action, suits, claims, damages, expenses, debts, bills, covenants, contracts, controversies, agreements, promises, judgments or demands which Franchisee may have ever had, or now has, arising prior to the Effective Date; and GHC, its affiliates, and their respective officers, directors, shareholders, members, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf, hereby release Franchisee, its shareholders, employees and agents and their heirs, personal representatives, successors, assigns and all other persons acting on their behalf of and from any and all actions, causes of action, suits, claims, damages, expenses, debts, bills, covenants, contracts, controversies, agreements, promises, judgments or demands which GHC may have ever had, or now has, arising prior to the Effective Date. This release does not apply to any liability arising from the offer and sale of this Agreement, or any liability arising under this Agreement.

14. **Duties.** Sections 6.2.13 and 6.2.18 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

6.2.13 GHC will deduct, the amounts owed for Royalties (including any applicable Minimum Performance Requirement), General Marketing Fees, and Shortfall Royalties (if any), from Franchisee's designated bank account in accordance with Section 4.2.5;

6.2.18 Execute by the Effective Date of this Agreement the Conditional Assignment of Franchisee's Telephone Numbers, which permits the immediate transfer of all of the telephone numbers and email addresses utilized by Franchisee in the operation of its Franchise to GHC upon Expiration, Termination, or Transfer of the Franchise;

15. **Obligation to Participate in the Actual Operation of the Franchise.** Section 6.4 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

6.4 *OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE.* Because the Term is a renewal term, GHC does not require Franchisee to participate personally in the direct day-to-day operation of the Franchise, provided that the Franchise must at all times be under the direct supervision of a manager who has satisfactorily completed the GHC initial training and devotes full time and effort to the management of the Franchise. Franchisee or Franchisee's manager shall also attend such refresher training as required by GHC under Section 3.1 hereof. Franchisee will be responsible for arranging and paying for the lodging, travel, meals, and other expenses incurred in connection with its own training and any manager's initial and subsequent training. Any manager must also execute the Confidentiality, Non-Competition, and Non- Disclosure Agreement attached hereto as Attachment 5 prior to or concurrently with such manager's assumption of a management position.

16. **Additional Services.** Section 6.5 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

6.5 *ADDITIONAL SERVICES.* During the Term of this Agreement, Franchisor may develop additional services. If Franchisee is awarded the right to offer such additional services, Franchisee will be subject to any initial fees and additional training requirements applicable to such additional services, but will receive a fifty percent (50%) reduction in any such initial fees, and all initial fees paid by Franchisee will be credited towards the future royalty fees due to Franchisor related to such additional services.

17. **Protection of Customer Information.** Section 6.6 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

6.6 *PROTECTION OF CUSTOMER INFORMATION.* Franchisee must use its best efforts to protect its customers against a cyber-event, identity theft, or theft or exposure of personal information. Franchisee must comply with security policies and guidelines of GHC, which may be amended from time to time, as well regional, national, and local laws and regulations relating to the use, storage, transmission, and disposal of personal information. Franchisee shall notify GHC as soon as possible, and within no more than three (3) business days, after Franchisee becomes aware of or is notified about, any cyber-event, identity theft, or theft or exposure of personal information related to GHC Business, or affecting any customer or employee thereof. Franchisee agrees, upon GHC's request, to immediately provide notice to all individuals potentially affected by such event in the form GHC may direct, and to take such other remedial actions as GHC directs or as may be required by law. GHC agrees that it shall use its best efforts to keep Client and other information confidential.

18. **Limitations on Grant.** Section 6.7 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

6.7 *LIMITATIONS OF GRANT.* The grant in Section 1 of this Agreement does not include (i) any right to establish an independent website or to create, register, or use a domain name incorporating the Marks or any variation thereof, except to the extent previously approved by GHC in writing, and except for a website previously approved by GHC in writing and used by Franchisee in connection with the Franchise prior to the Effective Date of this Agreement; or (ii) any right to distribute, market, or implement GHC's products and services in any channel of distribution not specifically permitted by this Agreement.

19. **Ownership of All Records.** Section 11.7 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

11.7 *OWNERSHIP OF ALL RECORDS.* Once in use by the Franchise, all current and prior case/Client lists and files, phone and contact lists, Caregiver/resource files, Rolodex/file cards, computerized databases, records, software, etc. containing Client, Caregiver, or employee marketing and financial data of any type, however developed or stored, shall become and remain the property of GHC at all times during and after the term of the Franchise and following Expiration or Termination of any type for any reason or no reason by either party, non-renewal or sale; provided, however, that after Expiration, Termination, non-renewal, or sale, Franchisee will jointly own such records and Joint Confidential Information to the extent necessary for compliance with law and for use in any non-competing business by Franchisee or its Principals subject to applicable privacy laws including HIPAA. GHC will have independent access to the information described above that will be generated and stored in Franchisee's computer system at all times. There are no limitations on GHC's rights to access this information. Except as otherwise prohibited by law, GHC may use this information in any reasonable manner in furtherance of our Common Mission and Guiding Principles, including its right to publish key performance data (without attribution to Franchisee) and Client satisfaction related data (without attribution to Franchisee) internally or disclose such information to third parties. The development and preservation of data for the benefit of the GHC brand and the franchise network is a key attribute of the Franchise System. GHC and Franchisee agree to maintain and share data for our mutual benefit during the term hereof, and both GHC and Franchisee agree to protect the confidentiality of data for our respective benefits. GHC may share data in a manner that is lawful and that protects the confidentiality of individual franchisees, customers, and Caregivers, but that promotes the growth and success of the Griswold brand as a whole. GHC will not sell data developed by Franchisee without express written approval of the Franchisee. While the data and records described in this paragraph remain the property of GHC both during and after the term of the Agreement, GHC acknowledges and agrees that any goodwill developed by Franchisee may be included in a sale of such business as described in Section 14.10 of this Agreement. After the term of the Agreement, Franchisee will retain copies of records as required by applicable law.

20. **Advertising/Marketing.** Section 12 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

12.1 *ADVERTISING ASSISTANCE*. GHC may consult and confer periodically with Franchisee and other franchisees about advertising and provide Franchisee (upon request) with marketing advice from time-to-time at GHC's Reasonable Discretion, and at Franchisee's sole expense.

12.2 *GENERAL MARKETING FUND*. GHC shall maintain a general marketing fund.

12.2.1 GENERAL MARKETING FEES

12.2.1.1 Commencing on the Effective Date, Franchisee shall contribute to GHC's general marketing fund (the "General Marketing Fund") a weekly "General Marketing Fee" equal to the greater of seventy-five dollars ($75) or one half of one percent (0.5%) of Gross Receipts of the Franchise; provided, however, that if Franchisee's Principals operate another GHC Business in the Territory, then the General Marketing Fee under this Agreement shall be the greater of one hundred fifty dollars ($150) or one half of one percent (0.5%) of such Gross Receipts. During the calendar year containing the Effective Date hereof, the total General Marketing Fees contributed by Franchisee in connection with the Franchise granted under this Agreement shall be capped at twenty thousand dollars ($20,000). For each calendar year thereafter, the cap will increase by four percent (4%) per year, compounded annually (e.g., in the first full calendar year following the Effective Date, the cap will be twenty thousand eight hundred dollars ($20,800), and in the second full year it will be twenty-one thousand eight hundred thirty-two dollars ($21,632)).

12.2.1.2 If Franchisee's Principals operate GHC Businesses pursuant to an Agency Model Franchise Agreement in more than one territory, then notwithstanding Section 12.2.1.1: (i) such GHC Businesses (including the Franchise) shall contribute, collectively, a total weekly General Marketing Fee equal to the greater of (a) one half of one percent (0.5%) of the aggregated gross receipts for all such GHC Businesses, or (b) seventy-five dollars ($75) multiplied by the number of such GHC Businesses; and (ii) the total annual General Marketing Fees collectively contributed by such GHC Businesses shall be capped at an amount equal to the greater of (a) twenty thousand dollars ($20,000) multiplied by the number of such GHC Businesses, or (b) the sum of the then-current General Marketing Fee caps applicable to each such GHC Business.

12.2.2 GHC will administer and maintain the General Marketing Fund to develop branded marketing programs and tools to support the services provided by GHC in venues such as online, print, and public relations forums promoting the Services provided by GHC franchises.

12.2.3 GHC will use the General Marketing Fund contributions, in GHC's Reasonable Discretion with Consultation, to develop, produce, and distribute national, regional, and/or local advertising and to create advertising materials and public relations programs that promote, in GHC's Reasonable Discretion, the products and Services offered by GHC System Franchisees. GHC has the right to determine expenditures from the General Marketing Fund, or any other advertising program, and the authority to determine the selection of the advertising materials and programs; provided, however, that GHC will make a good faith effort to expend General Marketing Fund contributions in the general best interests of the System on a national and/or regional basis. GHC may use the General Marketing Fund to satisfy any and all costs of maintaining, auditing, administering, directing, preparing, and producing advertising, including the cost of preparing and producing Internet, television, radio, magazine, and newspaper advertising campaigns, direct mail, outdoor billboard advertising, and any other forms of advertising; the cost of public relations activities and advertising agencies; the cost of developing and maintaining an Internet website; and other departmental costs for advertising that GHC internally administers or prepares; provided, however, that GHC will not use monies from the General Marketing Fund to conduct customer satisfaction surveys. Nevertheless, Franchisee acknowledges that not all System franchisees will benefit directly or on a pro rata basis from such expenditures. GHC will not use the General Marketing Fund contributions for advertising that is intended principally to solicit new franchisees. However, GHC reserves the right to use the General Marketing Fund for public relations or recognition of the Griswold Home Care brand, for the creation and maintenance of a website, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating "Franchises Available." GHC has the right to reimburse itself from General Marketing Fund contributions for such reasonable costs and overhead, if any, as GHC may incur in activities reasonably related to the direction and implementation of the General Marketing Fund.

12.2.4 GHC will prepare on an annual basis, and will have available for Franchisee within sixty (60) days of the end of the fiscal year, an unaudited statement of contributions and expenditures for the General Marketing Fund. GHC will make such statement available on its then-current electronic internet system for franchisee communications for the prior calendar year. The General Marketing Fund is not required to be independently audited.

12.3 LOCAL MARKETING REQUIREMENT. In addition to payment of the General Marketing Fee described above, Franchisee is required to spend a minimum of twelve thousand dollars ($12,000) per year on local marketing, promotional, and advertising activities (the "Local Marketing Requirement"). However, the Local Marketing Requirement will be reduced to six thousand dollars ($6,000) per year, if (i) Franchisee hires a dedicated sales and marketing professional or (ii) if the Franchise is or will be jointly operated by two related adult Family Members. If the Franchise is or will be jointly operated by two related adult Family Members, the expectation is that one Family Member will handle marketing responsibilities. Except as provided in the preceding sentence, Franchisee cannot designate himself or herself (or, in the case of a corporate entity Franchisee, the principal owner of the Franchisee) as the sales and marketing professional for the purpose of reducing Franchisee's annual Local Marketing Requirement.

Franchisee acknowledges and agrees that it must use only advertising and promotional materials developed or approved by GHC, in the manner authorized by GHC, and must cease using any materials upon instruction from GHC. If GHC does not disapprove of any advertising or promotional materials submitted to GHC by Franchisee within thirty (30) days of submission, then such materials will be deemed to have been approved. Once GHC approves advertising and promotional materials developed by Franchisee, Franchisee may continue using such materials unless instructed by GHC to no longer use them. Franchisee must participate in advertising, promotional, and/or branding initiatives upon instruction from GHC. GHC has the right to photograph, interview, or record Franchisee and Franchisee's employees or agents and place(s) of business and to utilize such material as testimonials, videos, or photographs in the advertising, promotion and sale of the franchises and/or GHC's products and services. Franchisee agrees that GHC shall have the right to use and incorporate into the System any advertising and promotions created by Franchisee, and shall obtain all right, title and interest to such advertising and promotions without compensation to Franchisee. Franchisee agrees not to use public figures in Franchise promotional efforts or advertising without the prior express written approval of GHC. Franchisee agrees that Franchisee is responsible for knowing and complying with federal and local laws and regulations regarding its advertising and promotions.

12.4 EMAIL ACCOUNTS. GHC may provide Franchisee with seven (7) email accounts under GHC's registered email and website domain as part of the franchise purchase. If Franchisee wishes to use more email accounts than what Franchisor provides, Franchisee shall pay Franchisor the then-current fee for each additional email account. Franchisee must use any such assigned email accounts in all official aspects of the operation of the Franchise. Each email account remains GHC's sole property and reverts to GHC in the event of any Termination, Expiration, or approved Transfer. Franchisee may not establish or use other email or social media accounts for the Franchise, nor may Franchisee use or establish or identify any website or social media site other than the designated GHC website for Franchise business operations, except as otherwise stated in this Agreement and except for email accounts used in connection with the Franchise prior to the date hereof, or as otherwise permitted by GHC, or as provided in a social media policy (if any), which may hereafter be adopted by GHC and incorporated in the Manual. Franchisee may not use the Marks or any trade names or trademarks confusingly similar to the Marks as part of any email address, website identification, or on any third-party website without GHC's prior written consent. Except for personal exchanges of correspondence in the ordinary course of business between Franchisee, Clients, prospective clients, Franchisee's established contacts, including Caregivers, any email or online content Franchisee creates related to marketing or advertising the Franchise, the Services, Caregivers, or Clients will be considered advertising and be subject to GHC approval and instruction as described in Section 12.3 above.

12.5 ADVERTISING COOPERATIVES. GHC will have the right, in GHC's Reasonable Discretion with Consultation, to determine whether a regional advertising and promotional cooperative ("Cooperative") is applicable to the Franchise.

21. **Indemnification.** Section 13.2 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

13.2 *INDEMNIFICATION.*

13.2.1 FRANCHISEE INDEMNIFICATION.

13.2.1.1 Franchisee and Franchisee's Principals (collectively, the "Franchisee Indemnitors") shall indemnify and hold GHC and GHC's affiliates, subsidiaries, principals/owners, managers, members, shareholders, directors, officers, employees, servants, agents, successors and assignees (collectively, the "GHC Indemnitees") harmless from actual damages (the "GHC Liabilities") suffered as a result of any and all claims, demands, lawsuits, arbitrations, or causes of action of any kind or character and nature brought against any of the GHC Indemnitees, provided (and to the extent) that such GHC Liabilities are a consequence of or are otherwise related to Franchisee's ownership, management, or operation of the Franchise in any manner (including the actions and omissions of Franchisee's Caregivers).

13.2.1.2 In addition, Franchisee Indemnitors shall defend GHC Indemnitees from and against any and all claims, demands, lawsuits, arbitrations, or causes of action of every kind or character and nature that may result in GHC Liabilities, so long as GHC Indemnitees: (a) provide Franchisee, in accordance with Section 21.7 hereof, with a written demand for indemnification and defense; (b) surrender control of the defense to Franchisee Indemnitors, which may conduct the defense in such manner as they deem appropriate in their reasonable discretion (including, without limitation, selecting counsel, determining litigation strategy, and settling any or all claims); and (c) fully cooperate in the defense, including, without limitation, by providing all documents, information, and witnesses Franchisee Indemnitors reasonably deem necessary or appropriate to such defense. If GHC Indemnitees disagree with Franchisee Indemnitors' defense strategy, GHC Indemnitees may resume control of the defense upon written notice to Franchisee expressly waiving Franchisee Indemnitors' duty to defend under this Section 13.2.1.2 as of and after the date of such notice.

13.2.1.3 Notwithstanding anything to the contrary in this Section 13: (a) GHC Indemnitees shall not be entitled to reimbursement for any defense costs (including, without limitation, attorneys' fees) they incur before Franchisee has received GHC Indemnitees' written demand for indemnification and defense, if the GHC Indemnitees fail to comply with the conditions of defense pursuant to Section 13.2.1.2, or if the GHC Indemnitees opt to retain or resume control of their defense; and (b) Franchisee Indemnitors shall not be liable for any defense costs (including, without limitation, attorneys' fees) incurred by GHC Indemnitees if it is ultimately determined that GHC Indemnitees are not entitled to indemnification pursuant to Section 13.2.1.1. If it is ultimately determined that GHC Indemnitees are not entitled to such indemnification, and Franchisee Indemnitors have incurred defense costs (including, without limitation, attorneys' fees) in connection with defending GHC Indemnitees, then GHC Indemnitees must reimburse Franchisee Indemnitors for all such defense costs within thirty (30) days of receipt of Franchisee Indemnitors' written demand for reimbursement.

13.2.2 *GHC INDEMNIFICATION.*

13.2.2.1 GHC shall indemnify and hold Franchisee and Franchisee's affiliates, subsidiaries, Principals, directors, officers, employees, servants, agents, successors and assignees (collectively, the "Franchisee Indemnitees") harmless from actual damages ("Franchisee Liabilities") suffered as a result of any and all claims, demands, lawsuits, arbitrations, or causes of action of any kind or character and nature, brought against any of the Franchisee Indemnitees, by any third party or governmental authority, provided (and to the extent) that such Franchisee Liabilities are a consequence of Franchisee's compliance with a written requirement of the System relating to the Services or the Caregivers that was negligently, recklessly, or willfully imposed by GHC. For the avoidance of doubt, the Franchisee Liabilities do not include any costs to respond to any federal, state, or local government review, audit, survey, or investigation (each, a "Non-Enforcement Proceeding").

13.2.2.2 In addition, GHC shall defend Franchisee Indemnitees from and against any and all claims, demands, lawsuits, arbitrations, or causes of action of every kind or character and nature that may result in Franchisee Liabilities, so long as Franchisee Indemnitees: (a) provide GHC, in accordance with Section 21.7 hereof, with a written demand for indemnification and defense; (b) surrender control of the defense to GHC, which may conduct the defense in such manner as it deems appropriate in its Reasonable Discretion (including, without limitation, selecting counsel, determining litigation strategy, and settling any or all claims); and (c) fully cooperate in the defense, including, without limitation, by providing all documents, information, and witnesses GHC deems necessary or appropriate to such defense. If Franchisee Indemnitees disagree with GHC's defense strategy, Franchisee Indemnitees may resume control of the defense upon written notice to GHC expressly waiving GHC's duty to defend under this Section 13.2.2.2 as of and after the date of such notice. In addition, Franchisee agrees to notify GHC promptly regarding any Non-Enforcement Proceeding and to provide regular updates regarding the same. GHC reserves the right, in its Sole Discretion, to assume control of the response to any Non-Enforcement Proceeding upon written notice to Franchisee. If GHC assumes such control: (i) GHC may respond to the Non-Enforcement Proceeding in such manner as it deems appropriate in its Reasonable Discretion (including, without limitation, determining response strategy, retaining legal counsel, and agreeing to a resolution in consultation with Franchisee), and (ii) Franchisee Indemnitees agree to fully cooperate in the response (including, without limitation, by providing all documents, information, and witnesses GHC deems necessary or appropriate to conduct the response).

13.2.2.3 Notwithstanding anything to the contrary in this Section 13: (a) Franchisee Indemnitees shall not be entitled to reimbursement for any defense costs (including, without limitation, attorneys' fees) they incur before GHC has received Franchisee Indemnitees' written demand for indemnification and defense, if the Franchisee Indemnitees fail to comply with the conditions of defense pursuant to Section 13.2.2.2, or if the Franchisee Indemnitees opt to retain or resume control of their defense; and (b) GHC shall not be liable for any defense costs (including, without limitation, attorneys' fees) incurred by Franchisee Indemnitees if it is ultimately determined that Franchisee Indemnitees are not entitled to indemnification pursuant to Section 13.2.2.1. If it is ultimately determined that Franchisee Indemnitees are not entitled to such indemnification, and GHC has incurred defense costs (including, without limitation, attorneys' fees) in connection with defending Franchisee Indemnitees, then Franchisee Indemnitees must reimburse GHC for all such defense costs within thirty (30) days of receipt of GHC's written demand for reimbursement.

22. **Transfer.** Section 14.3.10 of the Franchise Agreement is hereby removed in its entirety.

23. **Termination After Notice and Opportunity to Cure.** Section 15.2.1 of the Franchise Agreement is hereby

removed in its entirety and otherwise intentionally omitted.

24. **Termination After Notice and Opportunity to Cure.** Section 15.2.4 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 15.2.4 Fails to: (i) complete any Sales Development Alternatives required by Attachment 6, or (ii) pay any Shortfall Royalty due to GHC pursuant to Attachment 6 within thirty (30) days after the end of the calendar year.

25. **Caregivers' Agreements.** Section 17.4 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 17.4 *CAREGIVERS' AGREEMENTS.* If applicable regulations allow, Franchisee will have all Caregivers sign a Client non-interference, non-solicitation, and non-disclosure agreement.

26. **Consultation with Franchisee Representative Group.** Section 18.2 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 18.2 *CONSULTATION WITH FRANCHISEE REPRESENTATIVE GROUP.* GHC agrees to consult on a periodic basis with respect to the matters of mutual interest with any Franchisee Association— i.e., any representative group of owners consisting of more than fifty percent (50%) of the owners that have been operating GHC Businesses for more than three (3) years. As of January 1, 2016, the GHCFA meets this definition and is the current Franchisee Association. Franchisee agrees that GHC may consult with and consider the advice of any such group, but that GHC is not bound by its views. GHC may from time to time require that any such group of GHC franchisees demonstrate to GHC's reasonable satisfaction that it meets the above-described qualifications, and GHC shall have no obligation to recognize any such group that has failed or refused to so demonstrate its qualifications. Nothing contained in this Section 18.2 shall be deemed to prohibit or restrict GHC from establishing and interacting with any elected or appointed franchisee advisory board or council that qualifies as a representative franchisee group as described above, and Franchisee acknowledges that as of the Effective Date, GHC has established a franchisee advisory council (referred to as the "FAC").

27. **Mediation as Next Step in Dispute Resolution.** Section 19.2 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 19.2 *MEDIATION AS NEXT STEP IN DISPUTE RESOLUTION.* GHC and Franchisee also recognize that sometimes claims or disputes arise that should not result in either of them seeking to end the Franchise Relationship. In that event, GHC and Franchisee pledge that each shall be candid and forthright with each other in an attempt to resolve any such claims or disputes. Unless the parties otherwise agree, prior to proceeding to arbitration as provided in Section 19.3, either party shall have the right to submit to mediation claims or disputes between them, or any affiliates of either, that arise under, or relate to, this Agreement, any other agreement between them, the relationship between them, or their respective rights and obligations. The parties agree that the mediation may take place virtually. However, if one party elects to mediate in-person, then both parties agree to appear in-person, and the mediation shall occur in Philadelphia, PA. Any mediation shall occur under the mediation rules of the American Arbitration Association ("AAA") then in effect, unless GHC and Franchisee then agree otherwise in writing. GHC and Franchisee shall bear their own costs of mediation (e.g., attorneys' fees, travel, lodging, and similar expenses), and GHC and Franchisee shall equally share mediation expenses (e.g., mediator fee, room expense, and similar expenses). This agreement to mediate shall survive any Termination or Expiration of this Agreement. The parties agree that any mediation shall only be between GHC and Franchisee, and that neither will seek to join any other franchisee, or any group or class of franchisees, to the mediation, even if the disputes of other proposed participants are similar, unless the parties otherwise agree.

28. **Arbitration.** Section 19.3 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 19.3 *ARBITRATION.* GHC and Franchisee also recognize that sometimes claims or disputes arise that are so fundamental that either of them may seek to have a third-party decide the claims or disputes. In that event, GHC and Franchisee agree that neither shall sue the other in a court (except as provided in Section 19.4.1), and that both must only submit claims or disputes between them to arbitration for resolution as this Section 19.3 provides. Accordingly, GHC, Franchisee and its affiliates, owners, and Principals agree that all disputes, controversies, claims, or demands by one against the other shall be submitted to one arbitrator. The arbitration may be conducted virtually; provided that if one party elects to arbitrate in-person, then both parties shall appear in-person and arbitration shall take place in Philadelphia, PA. Any arbitration shall occur under the arbitration rules of the AAA then in effect, unless GHC and Franchisee then agree otherwise in writing. GHC and Franchisee shall equally share arbitration expenses (e.g., AAA and administrative fees, arbitrator fee, room expense, and similar expenses), and each party shall bear its own costs of arbitration (e.g., attorneys' fees, travel, lodging, filing fees, out-of-pocket expenses such as copying and telephone, court costs, witness fees and similar expenses).

29. **Other Important Provisions Applying to GHC and Franchisee.** Section 19.4.6 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 19.4.6 Both GHC and Franchisee agree that neither shall seek punitive or exemplary damages, or any damages other than actual damages, against the other, unless specifically provided by statute.

30. **Other Important Provisions Applying to GHC and Franchisee.** Section 19.4.7 of the Franchise Agreement is hereby removed in its entirety.

31. **Force Majeure.** Section 21.5 of the Franchise Agreement is hereby removed in its entirety and replaced with the following language:

> 21.5 *FORCE MAJEURE.* Neither party shall be deemed in default of this Agreement if its delay in performance or failure to perform any of its obligations hereunder arises from a cause that is beyond the reasonable control of the party prevented from performing, including labor strikes, transportation delays, mechanical or electronic equipment breakdowns, power failures, acts of terrorism, pandemics, epidemics, fire, flood, natural disasters, and acts of God; provided, however, that this provision shall not relieve Franchisee from the obligation with reasonable accommodation to pay fees and other monies payable to GHC as required hereunder, including under Section 4 hereof.

32. **Attachment 1 (Definitions).** Attachment 1 to the Franchise Agreement is hereby removed in its entirety and replaced with Schedule 1 to this Agreement.

33. **Attachment 3 (Initial Fees, Other Payments, and Principal's Ownership).** Attachment 3 to the Franchise Agreement is hereby removed in its entirety and replaced with Schedule 2 to this Agreement.

34. **Attachment 5.** Attachment 5 to the Franchise Agreement is hereby amended to change the name to "Confidentiality, Non-Competition, and Non-Disclosure Agreement".

35. **Attachment 6.** Franchisor and Franchisee hereby agree and acknowledge that Schedule 3 to this Addendum shall be added to the Franchise Agreement as "Attachment 6".

36. **Entire Agreement.** This Addendum has been negotiated by the parties and constitutes the entire agreement regarding the subject matter hereof and supersedes all prior oral and written agreements among the parties. To the extent that the terms of this Addendum conflict with the terms of the Franchise Agreement, this Addendum shall control. All other terms and

conditions of the Franchise Agreement remain unchanged and in full force and effect. This Addendum may only be modified in a writing signed by all parties hereto.

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties hereto have set their hands and seals as of the Effective Date of this Addendum.

FRANCHISOR	**FRANCHISEE**
GRISWOLD INTERNATIONAL, LLC	**[NAME]**
By: ___________________________	By: ___________________________
Name: _________________________	Name: _________________________
Title: __________________________	Title: __________________________
Date: __________________________	Date: __________________________

SCHEDULE 1

ATTACHMENT 1 – DEFINITIONS

1. **80 -Hour Case**—A home care case in which one or more Caregivers provides a Care Recipient more than eighty (80) hours' worth of Caregiver Services during the preceding weekly reporting period.
2. **Abandon**—Any conduct, intentional or otherwise, which results in the Franchise failing to operate for a period of seven (7) to ten (10) calendar days without Franchisor's prior written approval.
3. **Affirmative Transfer Right**—Not applicable.
4. **Agency Business Model—**The Business Model utilized by GHC Businesses in which Franchisees directly hire Caregivers to provide Caregiver Services to Care Recipients (formerly known as the "Full Employment Model").
5. **Agreement**—This Franchise Agreement.
6. **Assignment—**The sale, assignment, transfer, conveyance, pledge, merging, or giving away of 50% or less of any direct or indirect interest in this Agreement or in Franchisee.
7. **Brand Standards—**The standards that GHC requires for the goods and services offered under the System by Franchisee and that are associated with the Marks, as GHC determines in its Reasonable Discretion and publishes in the Manuals or otherwise in writing from time to time.
8. **Business Continuity Plan**—An annual written document plan to be prepared by Franchisee for emergency planning.
9. **Business Model**—A manner of doing business as authorized and prescribed in the Manuals that are part of the GHC System. GHC's current business models are (1) the Registry Business Model, and (2) the Agency Business Model. In certain instances where GHC determines that applicable state law permits, a franchisee may operate separate businesses in the same Territory under separate Franchise Agreements, one of which operates under a Registry Business Model and the other of which operates under an Agency Business Model. We refer to this as a "Dual Business Model". Household Employer, while not a business model in and of itself, is a payment option used in the Registry Business Model, wherein payment to Caregivers is done by a third-party on behalf of the Client. Exempt Employee (or EE) is a term used in the Registry Business Model to describe situations where it is necessary for the franchisee to pay state workers' compensation and/or state unemployment insurance.
10. **Care Recipient**—A customer receiving Caregiver Services.
11. **Caregiver**—A carefully screened, credentialed individual that provides Caregiver Services to Care Recipients.
12. **Caregiver Services**—Personal care, homemaking, companion care, incidental transportation, and other ancillary, supportive services provided to adult Clients requesting such services, provided by referred Caregivers.
13. **Client**—A customer paying for Caregiver Services on behalf of a Care Recipient.
14. **Common Mission**—The shared commitment by GHC and Franchisee to promote the Marks and enhance customer goodwill toward the network of GHC Businesses operating under the Marks and System, by strengthening and growing the network of GHC Businesses operating under the Marks and System and dedicated to maintaining the dignity, comfort, safety, personal hygiene, well-being, and happiness of each and every Care Recipient by placing the highest quality professional Caregivers.
15. **Confidential Information**—Defined in Section 10.1.
16. **Cooperative**—A regional advertising and promotional cooperative.
17. **Corrective Action Plan**—A written plan (1) submitted to GHC by Franchisee for correcting each deficiency GHC lists in a Notice of Deficiency or (2) agreed upon in writing with GHC for a Transfer of the Franchise within a specified time period, in lieu of Franchisee's curing GHC's notice of default to Franchisee.
18. **Day Rate Payment**— Payment for a full day of Caregiver Services that is calculated based on a full- day rate of a minimum of at least eight (8) hours and not on an hourly basis.
19. **Effective Date**—The date of GHC's execution of this Agreement as reflected on the signature page of this Agreement.
20. **EFT Program**—Each week, GHC will collect Royalty and other amounts due by automatically deducting all payments owed to GHC under the Franchise Agreement or any other agreement between Franchisee and GHC, from Franchisee's designated bank account.
21. **Expiration—**The end of the term of this Agreement, after which the Franchisee has no continued right to operate the business. GHC reserves the right to extend the term of the Agreement in its Reasonable Discretion.
22. **FAC**—GHC's Franchisee Advisory Council.
23. **Family Member**—A Franchisee's spouse or partner, adult children, parents, and/or siblings who have any involvement in the Franchise or access to the records and materials of the Franchise, including but not limited to the Operations Manual.

24. **Franchise**—The GHC Business operated by Franchisee under this Agreement.
25. **Franchise Relationship**—The relationship between a Franchisee and GHC under this Agreement.
26. **Franchisee Association**—Any representative group of owners consisting of more than 50% of the owners that have been operating GHC Businesses for more than three years. As of January 1, 2016, the GHCFA meets this definition and is the current Franchisee Association.
27. **Franchisee**—The adult individual(s) named on the signature page of this Agreement.
28. **Franchisee Entity**—A legal entity such as a corporation, partnership, or limited liability company formed by Franchisee.
29. **Franchisee Indemnitees—**Defined in Section 13.
30. **Franchisee Indemnitor**—Defined in Section 13.
31. **Franchisee Liabilities** – Defined in Section 13.
32. **Franchisee Services**—The identification, recruitment, placement, facilitation, and/or consultation with respect to home care services provided by Franchisee to Clients and/or Care Recipients consistent with the Business Model approved in the Franchisee's Territory, and in accordance with applicable law.
33. **Franchisee's Principals**—Franchisee's shareholders, partners, or members with ownership interests in the Franchise.
34. **Franchisor or GHC**—Griswold International, LLC.
35. **Franchisor Indemnitees**—Defined in Section 13.
36. **Franchisor Indemnitor**—Defined in Section 13.
37. **Franchisor Liabilities**—Defined in Section 13.
38. **General Marketing Fee**—A weekly fee payable by Franchisee to the General Marketing Fund as described in Section 12.2.1.
39. **General Marketing Fund**—A fund to which Franchisees pay a General Marketing Fee, which is maintained and administered by GHC to develop branded marketing programs and tools to support and promote the Franchisee Services and Caregiver Services in venues such as online, print, and public relations forums or as otherwise provided this Agreement.
40. **GHC Business**—A franchised business offering the Services and using the System and Marks within a designated territory.
41. **GHCFA**—The Griswold Homecare Franchise Association.
42. **Gross Receipts**—The aggregate of all monies received by Franchisee as a result of the provision of all Services and goods provided by the Franchise during the preceding reporting period, whether in cash or for credit. Gross Receipts does not include the amount of any applicable sales tax imposed by and paid to any federal, state, municipal, or other governmental authority. Gross Receipts does not include Client reimbursements to Franchisee for actual expenses (e.g. , mileage) paid by Franchisee on behalf of a Client. Also excluded from Gross Receipts are adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain Client relations and goodwill.
43. **Guiding Principles**—Franchisee should respect GHC's ownership of the System, including the Marks, trade secrets, Confidential Information, and the associated goodwill, and GHC's rights to determine the nature and quality of the products and services sold under the Marks, to control the manner in which the Marks are used and to enforce System standards. GHC should respect Franchisee's interest in the going concern value of the Franchise.
44. **Initial Franchise Fee**—Not applicable.
45. **Joint Confidential Information**—Defined in Section 10.1.
46. **Letter of Intent**—A written document from the Franchisee provided to GHC setting forth the price, payment terms, and other material contract terms Franchisee will accept in connection with its proposed to Transfer of the Franchise to a third-party.
47. **Local Marketing Requirement—**Defined in Section 12.3.
48. **Manuals**—The Manuals consist of the GHC's Operations Manuals, State Compliance Manuals, and any other manuals.
49. **Marks**—The "GRISWOLD HOME CARE" name and such other trademarks, trade names, service marks, logos, insignia, trade dress, and designs now existing and which may be designated by GHC for use in the future.
50. **Minimum Royalty**—The minimum amount of Royalties payable to GHC under this Agreement as described in Section 4.2.1.
51. **Notice of Deficiency**—The Notice detailing deficiencies that GHC issues Franchisee in the event that a Franchisee fails to satisfactorily pass any Quality Review.
52. **Operations Manual**—Manual containing key information about the GHC System, including various required and recommended policies, procedures, rules, and guidelines promulgated from time to time by GHC, the federal

government, and other obligations of the Franchisee under the Franchise Agreement, GHC's System, and the operation of the Franchise.

53. **Principals**—A Franchisee's shareholders, partners, or members with ownership interests in the Franchise.
54. **Quality Reviews**—The periodic reviews GHC conducts on the Franchisee's operations, focusing on office procedures, records, and file contents, including interviews with staff, Clients, Care Recipients, and Caregivers. Quality Reviews may include the "monitored or recorded for quality assurance purposes" telephone calls to Clients or Care Recipients.
55. **Reasonable Discretion**—Franchisor's "Reasonable Discretion" as used in this Agreement means the exercise of any discretion afforded by this Agreement in a manner consistent with the reasonable business judgment of GHC and the Guiding Principles in the recitals.
56. **Reasonable Discretion with Consultation**—Franchisor's "Reasonable Discretion with Consultation" as used in this Agreement means to exercise any discretion afforded by this Agreement in a manner consistent with the reasonable business judgment of GHC, and to consult on a periodic basis with respect to the matters of mutual interest with any Franchisee Association.
57. **Regional/National Contracts**—Any national or regional contracts with third-party payer, large scale, or multi-territory referral contracts that afford GHC offices, among other things, an expanded referral network and Client base.
58. **Registry Business Model**—The Business Model utilized by GHC Businesses in which Franchisees identify and refer independent Caregivers to Clients to provide Caregiver Services.
59. **Royalty—**The percent of Gross Receipts or minimum amount(s) payable to GHC under this Agreement as described in Section 4.2.1.
60. **Services**—Caregiver Services and Franchisee Services.
61. **Software Fee**—The continuing software fees payable by Franchisee to GHC or its designated software vendor.
62. **Sole Discretion**—The term "sole discretion" with respect to any determination to be made by a party under this Agreement shall mean the sole and absolute discretion of such party, without regard to any standard of reasonableness or other standard by which the determination of such party might be challenged.
63. **State Compliance Manual**—Manual containing information relative to the state in which Franchisee operates, and GHC's requirements for operation of a GHC Business operating under the Marks and the System in the state(s) in which Franchisee's business is located.
64. **System**—GHC's proprietary business system under which (1) Franchisees identify people in need of assistance and match them with Caregivers, who provide Caregiver Services to a Care Recipient and (2) provide consultation to Clients and/or Care Recipients on an ongoing basis consistent with the Business Model approved in the Franchisee's Territory, and respecting applicable law.
65. **Termination—**The ending of this Agreement prior to the completion of its term, after which the Franchisee has no continued right to operate the Franchise.
66. **Territory**—The identified geographic area specified in Attachment 2 of this Franchise Agreement, within which Franchisee must operate the Franchise under the terms and conditions of this Agreement, and in which GHC agrees that it will not establish, or license any other person to establish, another Franchise authorized to provide Franchisee Services.
67. **Territory Name**—The name for Franchisee's Territory as agreed upon at signing and designated in Attachment 2 of this Agreement.
68. **Transfer**—The sale, assignment, transfer, conveyance, pledge, merging, or giving away of more than fifty percent (50%) of any direct or indirect interest in this Agreement or in Franchisee, or in all or substantially all of the assets of the Franchise.
69. **Transfer Fee**—The fee payable to GHC by the Franchisee in connection with any Transfer.
70. **Unassigned Territory**—An area which is not assigned to any franchisee for the provision of Services.

SCHEDULE 2

ATTACHMENT 3
Initial Fees, Discounts, Other Payments, and Principals' Ownership

1. **Initial Franchise Fee:** None (Renewal)

2. **Discounts:**

3. **Other Payments:**

4. **Principal's Ownership:** The following is a complete list of all of the Principals of Franchisee and the percentage ownership interest of each such individual:

Name	Ownership Interest
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________
________________________	________________________

<u>**SCHEDULE 3**</u>

ATTACHMENT 6

ANNUAL PERFORMANCE METRICS – FRANCHISE GROUP

As of the Effective Date, the following GHC Businesses, including the Franchise (collectively referred to as the "Franchise Group"), are owned by Franchisee or its Principals, are each operated under the Agency Business Model pursuant to separate Franchise Agreements executed prior to January 1, 2018, and are listed here in order of renewal date:

Territory 1: ______________________________

Territory 2: ______________________________

Territory 3: ______________________________

Territory 4: ______________________________

Territory 5: ______________________________

Territory 6: ______________________________

For purposes of this Attachment 6, the Territory under this Agreement shall be designated as "Franchise Group Territory [TERRITORY NUMBER]."

Annual Performance Metrics. Starting with the first full calendar year following the Effective Date, and for each subsequent calendar year thereafter, the Franchise must achieve the applicable Annual Performance Metric for Franchise Group Territory [TERRITORY NUMBER] for such calendar year, as set forth in the following table:

Annual Performance Metrics						
Calendar Year	**Franchise Group Territory 1**		**Franchise Group Territory 2**		**Franchise Group Territory 3+**	
	Annual Performance Metric	**Annual Royalty**	**Annual Performance Metric**	**Annual Royalty**	**Annual Performance Metric**	**Annual Royalty**
2024	$150,000	$6,000	N/A		N/A	
2025	$300,000	$12,000	N/A		N/A	
2026	$400,000	$16,000	$150,000	$6,000	N/A	
2027	$500,000	$20,000	$250,000	$12,000	N/A	
2028	$600,000	$24,000	$350,000	$14,000	$100,000	$4,000
2029	$600,000	$24,000	$500,000	$20,000	$200,000	$8,000
2030	$600,000	$24,000	$600,000	$24,000	$300,000	$12,000
2031	$600,000	$24,000	$600,000	$24,000	$400,000	$16,000
2032	$600,000	$24,000	$600,000	$24,000	$500,000	$20,000
2033 and each subsequent calendar year	$600,000	$24,000	$600,000	$24,000	$600,000	$24,000

For purposes of determining whether Franchisee has met the Annual Performance Metric for a calendar year, Franchisee may aggregate the gross receipts achieved during such calendar year by all GHC Businesses within the Franchise Group

(“Aggregated Gross Receipts”) and the Annual Performance Metrics that would apply to all GHC Businesses within the Franchise Group if such GHC Businesses were, or are, operated pursuant to this form of Agency Model Franchise Agreement (the “Aggregated Annual Performance Metrics”). If the Aggregated Gross Receipts for a calendar year exceed the Aggregated Annual Performance Metrics for that calendar year, no Shortfall Fee shall be due under this Agreement. However, if the Aggregated Gross Receipts for a calendar year do not exceed the Aggregated Annual Performance Metrics for that calendar year, then Franchisee must pay a Shortfall Fee to GHC as required by Section 4.3 or otherwise comply with the terms of Section 4.3.

EXHIBIT B-4

COLLATERAL ASSIGNMENT OF LEASE/CONSENT AND AGREEMENT OF LESSOR

Collateral Assignment of Lease

FOR VALUE RECEIVED, the undersigned ("Assignor") hereby assigns and transfers to Griswold International, LLC, a Delaware limited liability company with an address at 510 East Township Line Road, Suite 210, Blue Bell, PA 19422 ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Exhibit 1 (the "Lease") respecting premises commonly known as ______________________________________ _________________________________. This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

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

Upon a default by Assignor under the franchise agreement for a Franchise between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, or upon expiration or termination of the Franchise Agreement or this Agreement, Assignee has the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease. Assignor hereby authorizes the Lessor to disclose to Assignee, upon its request, sales and other information furnished to the Lessor by Assignor.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than one (1) year prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

[Signatures on the following page.]

ASSIGNOR:

Dated:______________________ ____________________________________

____

SIGNED AND SEALED this ___

day of__________________, 20___

Notary Public

ASSIGNEE:

Dated:______________________ ____________________________________

____

SIGNED AND SEALED this ___

day of__________________, 20___

Notary Public

CONSENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the aforedescribed Lease hereby:

(a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;

(b) Agrees that Assignee has the right, but must not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Lessor of notice thereof in accordance with paragraph (a) above;

(c) Consents to the foregoing Collateral Assignment and agrees that if Assignee takes possession of the premises demised by the Lease and confirms to Lessor the assumption of the Lease by Assignee as tenant thereunder, Lessor must recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the defaults, if any, of Assignor under the Lease; and

(d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who must agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Lessor and upon such assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise.

DATED:_____________________ **LESSOR**:

____

____

EXHIBIT B-5

CONDITIONAL ASSIGNMENT OF FRANCHISEE'S TELEPHONE NUMBER

CONDITIONAL ASSIGNMENT OF FRANCHISEE'S TELEPHONE NUMBER

1. ____________________, doing business at ____________________________________ ______("Assignor"), in exchange for valuable consideration provided by Griswold International, LLC ("Assignee"), receipt of which is hereby acknowledged hereby conditionally assigns to Assignee all telephone numbers, listings and electronic email addresses utilized by Assignor in the operation of its Franchise. Those numbers and addresses are as follows:

____

____

2. The conditional agreement will become effective automatically upon the expiration, termination or transfer of Assignor's Franchise. Upon expiration, termination or transfer of the Franchise, Assignor must do all things required by the telephone company and email service provider to assure the effectiveness of the assignment of the telephone numbers and email addresses as if the Assignee had been originally issued such telephones, telephone numbers, telephone listings, email addresses and the usage thereof.

3. Assignor agrees to pay the telephone company on or before the effective date of assignment all amounts owed for the use of the telephone number(s) including, without limitation, Yellow Pages advertising. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the telephone company to effectuate this agreement, and agrees to fully cooperate with the telephone company and Assignee in effectuating this assignment.

ASSIGNOR:

BY:____________________________________ Date:__________________

TITLE:_________________________________

ASSIGNEE:

GRISWOLD INTERNATIONAL, LLC

BY: ___________________________________

TITLE: ________________________________

EXHIBIT C

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EXHIBIT D

STATE DISCLOSURE ADDENDA AND AGREEMENT AMENDMENTS

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

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

1. Our website, www.GriswoldHomeCare.com, has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the content of the website may be directed to the California Department of Business Oversight at www.dbo.ca.gov.

2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

3. Notwithstanding anything else in the Franchise Disclosure Document, this franchise may only provide non-medical care and services in the State of California.

4. SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

5. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

6. 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 §§ 31000 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).

7. Pursuant to the Home Care Services Consumer Protection Act, you may be required to comply with the Licensure and Certificate requirements of the Home Care Services Bureau (HCSB). 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 care recipient to remain in his or her residence and include, but are not limited to, assistance with the following: bathing, dressing, shopping, feeding, exercising, and personal hygiene and grooming. For further information about the Home Care Services Consumer Protection Act, please visit the following website: http://ccld.ca.gov/res/pdf/HCSB/WrittenDirectives_VersionFour.pdf.

8. In Item 3, "Litigation," shall be amended by the addition of the following paragraphs:

> Pursuant to California law, this Item does not include any information regarding the arrest of any person(s) that did not result in a conviction or plea of nolo contendere.

Neither we, nor any person identified in Item 2 above, is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934, 15 U.S.C. § 78a, et seq.) suspending or expelling such person from membership in such association or exchange.

9. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraph(s) at the conclusion of the Item:

The following notice is required to be inserted in this Disclosure Document by the state of California whenever an applicable provision is included in a Franchise Agreement. We reserve the right to attempt to enforce all of the provisions listed below in which we indicate that "this provision may not be enforceable under California law."

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

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. § 101, et seq.).

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

The Franchise Agreement requires the parties to resolve their disputes through non-binding mediation and, if necessary, arbitration. The mediation and litigation will occur in Pennsylvania, and you must reimburse us our costs if we prevail in any arbitration proceeding. Prospective Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of the Commonwealth of Pennsylvania. This provision may not be enforceable under California law.

10. Each provision of this Addendum to the Disclosure Document is effective only to the extent (with respect to each provision) that the California Franchise Investment Law, Cal. Corp. Code §§ 31000 - 31516, and the California Franchise Relations Act, Cal Bus. & Prof. Code §§ 2000 – 20043, would apply to your franchise, without reference to this Addendum.

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

The Disclosure Document is amended consistent with the following:

Illinois law governs the agreements between the parties to this franchise.

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

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation of 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.

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

AMENDMENT TO GRISWOLD INTERNATIONAL, LLC'S FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

To comply with the requirements of the Illinois Franchise Disclosure Act (Ill. Comp. Stat. §§ 705/1 to 705/44, the "Act"), the parties to the attached Griswold International, LLC Franchise Agreement (the "Agreement") agree as follows:

Illinois law governs the agreements between the parties to this franchise.

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

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation of 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.

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

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INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISEE: ________________________
, Individually

BY: ______________________
, President

FRANCHISOR:

Griswold International, LLC

By:__________________________________
Name:_______________________________
Title:________________________________
510 East Township Line Road, Suite 210
Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

AMENDMENT TO AMENDMENT TO GRISWOLD INTERNATIONAL, LLC'S FRANCHISE AGREEMENT
<u>REQUIRED BY THE STATE OF INDIANA</u>

This Amendment shall pertain to franchises sold in the State of Indiana and shall be for the purpose of complying with Indiana statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement, to the contrary, the Agreements shall be amended as follows:

1. Section 1.1 of the Franchise Agreement entitled "Grant of Franchise & License to Marks" is supplemented by the following provision:

> Ind. Code §§ 23-2-2.7-1(2) and 23-2-2.7-2 (6) prohibit any provision in a franchise agreement allowing a franchisor to establish, and prohibit a franchisor from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the Territory granted the franchisee by the Franchise Agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area. To the extent that any provision of the Agreement conflicts with Indiana law, Indiana law will control.

2. Section 13.2, 14.3.4, 14.4.2 and 14.9.6 of the Franchise Agreement are supplemented by the following provision:

> To the extent you are required to execute a release in favor of Griswold International, LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1 (5).

3. Ind. Code § 23-2-2.7-1(10) prohibits any provision in the Franchise Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana Code § 23-2-2.7-1 (10), Indiana law will control.

4. Section 13.2 of the Franchise Agreement entitled "Indemnification" is supplemented by the following provision:

> ; provided, however, such indemnification obligations shall exclude liability caused by your proper reliance on or use of procedures or materials provided by Griswold International, LLC or caused by Griswold International, LLC's negligence.

5. Sections 17 of the Franchise Agreement, regarding covenants of non-competition is supplemented by the following provision:

> Notwithstanding the above, the covenant not to compete is limited to your Territory under this Agreement.

6. Sections 14.7 and 14.8 of the Franchise Agreement, regarding death or disability of franchisee are supplemented by the following provision:

> Ind. Code § 23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise.
>
> Further, the term "6 months" shall replace any shorter term in the respective provisions of these agreements.

5. Section 21.8 of the Franchise Agreement entitled "Choice of Law" is supplemented by the following provision:

> However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, this Agreement shall be governed by the Indiana Franchise Disclosure Law Ind. Code § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law Ind. Code § 23-2-2.7.

8. Section 19 of the Franchise Agreement entitled "Dispute Resolution" is supplemented by the following provision:

> Indiana franchisees are allowed access to Indiana courts. Any provision which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISEE: ______________________
, Individually

BY: ____________________
, President

FRANCHISOR:

Griswold International, LLC

By:______________________________
Name:____________________________
Title:_____________________________
510 East Township Line Road, Suite 210
Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Griswold International, LLC Franchise Disclosure Document ("FDD")

Item 8. Item 8 of the FDD is amended to include the following disclosure:

> 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/developer/representative does business, on account 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. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.
>
> The Indiana Deceptive Franchise Practices Law, Ind. Code§ 23-2-2.7-2(6) makes it unlawful for any franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee/developer/representative does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of Griswold International, LLC's business practices conflict with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the FDD is amended to include the following disclosure:

> Ind. Code § 23-2-2.7-1(2) prohibits any provision in the Agreement which allows Griswold International, LLC to establish a franchisor-owned outlet engaged in a substantially identical business to that of the Franchise within the Territory. Ind. Code § 23-2-2.7-2(4) prohibits any franchisor who has entered into any franchise agreement with a franchisee/developer/representative who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the Franchise within the Territory. To the extent that any provision of the Agreement or Griswold International, LLC's business practices conflict with Indiana law, Indiana law will control.

Item 17. Item 17 of the FDD is amended to include the following disclosure:

> To the extent you are required to execute a release in favor of Griswold International, LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1.
>
> Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee/developer/representative the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a

reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the extent that the Franchise Agreement requires a surviving spouse, heirs or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana Law to provide that all such conditions must be met within 6 months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Agreement conflicts with Indiana law, Indiana law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law IC § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law IC § 23-2-2.7, under Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

The post term covenant not to compete is limited to your Territory under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

GRISWOLD INTERNATIONAL, LLC'S
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MARYLAND

GRISWOLD INTERNATIONAL, LLC'S
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF MARYLAND.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF MARYLAND
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

*** * ***

THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD

AMENDMENT TO GRISWOLD INTERNATIONAL, LLC'S FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Griswold International, LLC Franchise Agreement, agree as follows:

1. Sections 13.2, 14.3.4, 14.4.2 and 14.9.6 of the Franchise Agreement shall be supplemented by the addition of the following language to the end of those respective Sections:

    pursuant to Code of Maryland Regulations section 02.02.08.16L, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. The sections of this Agreement which contradict this Code provision are amended accordingly.

2. Section 19 of the Franchise Agreement shall be supplemented as follows:

    This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

3. Section 19.2 of the Franchise Agreement shall be supplemented as follows:

    ; provided, however, that franchisee may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law, which is not first subject to mediation under this agreement, in any court of competent jurisdiction in the State of Maryland.

4. The Franchise Agreement shall be supplemented by the addition of the following sub-section:

    All representations requiring prospective franchisees to assent to a release, estoppels or waiver of liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment to the Franchise Agreement in duplicate on the date first above written.

FRANCHISEE: ______________________
, Individually

BY: ____________________
, President

FRANCHISOR:

Griswold International, LLC

By:_______________________________
Name:_____________________________
Title:______________________________
510 East Township Line Road, Suite 210
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ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the text of the Griswold International, LLC Franchise Disclosure Document:

1. The following risk factor is added to the "Special Risks to Consider About This Franchise" page:

> **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.

2. Item 17. Item 17 of the FDD is amended to include the following disclosure:

> The Franchise Agreement provides that Griswold International, LLC may terminate the agreement if you voluntarily or involuntarily file for bankruptcy, as described in the "Summary of Cause Defined" (provision (h.)). This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).
>
> Any general release signed as a condition to renewal, sale, assignment, or transfer of these agreements shall not release Franchisor from any liability imposed by the Maryland Franchise Registration and Disclosure Law.
>
> Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law requires the franchisor to file an irrevocable consent to be sued in Maryland. Accordingly, the Summary of the Choice of Forum (provision (v.)) is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.
>
> Section 14-227 of the Maryland Franchise Registration and Disclosure Law provides that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

AMENDMENT TO GRISWOLD INTERNATIONAL, LLC
COMPLIANCE QUESTIONNAIRE
REQUIRED BY THE STATE OF MARYLAND

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the Compliance Questionnaire is amended as follows:

1. Pursuant to Section 14-226 of the Maryland Franchise Registration and Disclosure Law, any provision of this Compliance Questionnaire which requires a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise is hereby void in the state of Maryland

FRANCHISEE: ______________________
, Individually

BY: ____________________
, President

FRANCHISOR:

Griswold International, LLC

By:_______________________________
Name:_____________________________
Title:______________________________
510 East Township Line Road, Suite 210
Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

Michigan Disclosure

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:

(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 PROVISIONS 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 ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 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 6 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 FRANCHISEE 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 ENDORSEMENT BY THE ATTORNEY GENERAL.

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS 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.

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN: FRANCHISE
525 W. OTTAWA STREET
G. MENNEN WILLIAMS BUILDING, 1ST FLOOR
LANSING, MI 48933

NOTE: NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS. WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS.

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated there under by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Disclosure Document for Griswold International, LLC for use in the State of Minnesota shall be amended to include the following:

1. The following paragraph is added to the end of Item 13 (“Trademarks”):

> Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g). Pursuant to Subd. 1(g), we are required to protect any rights which you have to use our trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

2. The following paragraphs are added to the end of Item 17 (“Renewal, Termination, Transfer and Dispute Resolution”):

> With respect to franchisees governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the Franchise Agreement, and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
>
> Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. Accordingly, pursuant to Minn. Rule 2860.4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce.
>
> Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. Each provision of this Addendum to the Disclosure Document is effective only to the extent (with respect to each provision) that the Minnesota Franchises Law, or the Rules and Regulations promulgated thereunder by the Minnesota Commission of Commerce, would apply to your franchise, without reference to this Addendum.

AMENDMENT TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the attached Griswold International, LLC Franchise Agreement (the "Agreement") agree as follows:

1. The following Section 8.6 is added to the end of Section 8, under the heading "Marks":

> *8.6* Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), GHC is required to protect any rights Franchisee may have to use GHC's Marks or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

2. Section 14.3.4 of the Agreement, under the heading "Transfer and Assignment," shall be deleted in its entirety and shall have no force or effect, and the following paragraph shall be inserted in lieu thereof:

> Franchisee and all its Principals have executed a general release in favor of GHC, and in a form approved by GHC, as well as a standard form Confidentiality & Non-Competition Agreement, excluding only such claims as Franchisee may have that have arisen under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

3. Section 14 of the Agreement, under the heading "Transfer and Assignment," shall be supplemented by the addition of the following Section:

> *MINNESOTA TRANSFER RIGHTS*. Minnesota law provides franchisees with certain transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 5) currently requires that consent to the transfer of the Franchise may not be unreasonably withheld.

4. Section 2 of the Agreement, under the heading "Term & Renewals," shall be supplemented by the addition of the following:

> *MINNESOTA RENEWAL RIGHTS*. Minnesota law provides franchisees with certain non-renewal rights. In sum, Minn. Stat. § 80C.14 (subd. 4) currently requires, except in certain specified cases, that a franchisee be given 180 days' notice of non-renewal of the Franchise Agreement.

5. Section 15 of the Agreement, under the heading "Default and Termination" shall be supplemented by the following new Section

> *MINNESOTA TERMINATION RIGHTS*. Minnesota law provides franchisees with certain termination rights. In sum, Minn. Stat. § 80C.14 (subd. 3) currently requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure).

6. Notwithstanding any other provision of this Agreement, Minn. Stat. § 80C.21 and Minn. Rule 2860.4400(J) prohibit GHC from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment

notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required, and the Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated there under by the Minnesota Commissioner of Commerce are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed, and delivered this Minnesota Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISEE: ______________________
, Individually

BY: ____________________
, President

FRANCHISOR:

Griswold International, LLC

By:______________________________
Name:____________________________
Title:_____________________________
510 East Township Line Road, Suite 210
Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC'S
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NORTH DAKOTA CENTURY CODE (NDCC) SECTION 51-19-09):

A. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

C. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

G. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

H. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

In recognition of the requirements of North Dakota Century Code, Section 51-19-09, the Franchise Disclosure Document of Griswold International, LLC for use in the State of North Dakota shall be amended to include the following:

1. Item 17 (r) shall be supplemented by the addition of the following language:

   All covenants restricting competition are subject to North Dakota Century Code, Section 9-08-06. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

2. Item 17 (u) shall be deleted and replaced with the following language:

   Most disputes and claims relating to the Franchise Agreement will be settled by arbitration under the rules of the American Arbitration Association at a location agreeable to all parties.

3. The language in Item 17(v) shall be deleted and replaced by the following language:

   All litigation must be brought in North Dakota.

4. The language in Item 17(w) shall be deleted and replaced by the following language:

   All disputes will be governed by the laws of the State of North Dakota.

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC'S FRANCHISE AGREEMENT
<u>REQUIRED BY THE STATE OF NORTH DAKOTA</u>

In recognition of the requirements of North Dakota Century Code, Section 51-19-09, the parties to the attached Griswold International, LLC Agency Franchise Agreement (the "Franchise Agreement") agree as follows:

1. The following language shall be added at the end of Section 17.2 of the Franchise Agreement:

   All covenants restricting competition are subject to North Dakota Century Code, Section 9-08-06. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

2. Notwithstanding anything contained in Section 19 of the Franchise Agreement, any mediation and arbitration must take place in such other location as may be mutually agreed upon by the parties, and may not be remote from your Territory.

3. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, Section 19.4.3 of the Franchise Agreement is hereby deleted.

4. The North Dakota Securities Commissioner has held that franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota, are unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, Section 21. 8 of the Franchise Agreement is hereby deleted.

5. Section 19.4.2 is hereby deleted from the Franchise Agreement.

6. Section 19.4.6 is hereby deleted from the Franchise Agreement.

7. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently without reference to this Amendment.

8. Except as amended herein, the Franchise Agreement will be construed and enforced in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this North Dakota amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISEE: ______________________
, Individually

BY: ____________________
, President

FRANCHISOR:

Griswold International, LLC

By:______________________________
Name:____________________________
510 East Township Line Road, Suite 210
Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Griswold International, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum.

ADDENDUM TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Franchise Disclosure Document for Griswold International, LLC in connection with the offer and sale of franchises for use in the State of Washington shall be amended as follows:

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

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

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

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

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

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

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

Each provision of this Addendum to the Disclosure Document is effective only to the extent (with respect to each provision) that the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, would apply to your franchise, without reference to this Addendum.

AMENDMENT TO GRISWOLD INTERNATIONAL, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties to the attached Griswold International, LLC Franchise Agreement agree as follows:

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

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

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

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

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

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

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

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Washington Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISEE:

_______________________, Individually
BY:_____________________, President

FRANCHISOR:

Griswold International, LLC

By:________________________________
Name: _____________________________

510 East Township Line Road,
Suite 210 Blue Bell, PA 19422
T: 215-402-0200
F: 215-402-0202

RIDER TO STATE ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, WISCONSIN (EACH A "REGULATED STATE" AND COLLECTIVELY, THE "REGULATED STATES")

This Rider to State Addendum to the Franchise Disclosure Document and Franchise Agreement ("Rider") is entered into by and between (i) Griswold International, LLC ("Franchisor"), and (ii) ______________________, a (individual/limited liability company/corporation) with an address at _______________________________("Franchisee").

A. Concurrently with the execution of this Rider, Franchisor and Franchisee are entering into a franchise agreement (the "Franchise Agreement,"), pursuant to which Franchisee will acquire the right and undertake the obligation to own and operate a franchised business (the "Franchised Business") that may be located in, or subject to the regulations of, one of the Regulated States (the "Applicable Franchise Registration State").

B. Franchisor and Franchisee wish to amend the Franchise Agreement as provided in this Rider.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Franchise Agreement is hereby amended as follows:

1. **NASAA SOP Acknowledgment.** Franchisee and Franchisor hereby acknowledge that the Statement of Policy regarding the use of franchise questionnaires and acknowledgments issued by the North American Securities Administrators Association, Inc. ("NASAA"), which went into effect on January 1, 2023, provides that questionnaires and acknowledgments that are used as contractual disclaimers that release or waive a franchisee's rights under a state franchise law violate the anti-fraud and/or anti-waiver provisions of the statutes of the Regulated States. Accordingly, while the SOP remains in effect, or until such time as the regulations in the Regulated States are modified to adopt the restrictions on the use of acknowledgements and questionnaires as set forth in the SOP, for prospective franchisees that reside in or are looking to operate a Franchised Business in any Regulated State, the Franchise Agreement and Development Agreement (as applicable) will be amended to include the following provision:

    "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 and 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."

2. Except as provided in this Rider, the Franchise Agreement remains in full force and effect in accordance with its terms. This Rider shall be effective only to the extent that the jurisdictional requirements of the franchise law of the Applicable Franchise Registration State are met independently without reference to this Rider.

3. Section 20.2 is hereby removed from the Franchise Agreement.

FRANCHISOR	**FRANCHISEE**
GRISWOLD INTERNATIONAL, LLC	**[NAME]**
By: ______________________	By: _______________________
Name:____________________	Name: _____________________
Title:_____________________	Title:______________________
Date: _____________________	Date: ______________________

EXHIBIT E
List of Agency Model Franchisees As of
December 31, 2022

Territory Name	Model	Year Converted	Franchisee	Address	City	State	Zip	Tel
ARIZONA								
Gilbert - Chandler	FE	n/a	Allison & Scott Savel	1820 East Ray Rd., Suite B-201	Chandler	AZ	85225	480-347-9752
Glendale	FE	n/a	Allison & Scott Savel	6731 W McRae Way	Glendale	AZ	85308	480-376-7464
North Central Phoenix	FE	2015	Allison & Scott Savel	15255 N 40th St. #115	Phoenix	AZ	85032	480-646-3979
Scottsdale	FE	2015	Allison & Scott Savel	7950 E. Acoma Dr. #203	Scottsdale	AZ	85260	480-275-7200
COLORADO								
Boulder	FE	2016	Jim & Teresa Middleton	9769 West 119th Drive, Suite 30	Broomfield	CO	80021	303-848-8703
Westminster-Broomfield	FE	2016	Jim & Teresa Middleton	9769 West 119th Drive, Suite 30	Broomfield	CO	80021	303-848-8703
Colorado Springs	FE	2016	Mark & Anne Seglem	14960 Woodcarver Road, Suite 122	Colorado Springs	CO	80921	719-418-5908
Douglas County	FE	2016	Mark & Anne Seglem	14960 Woodcarver Road, Suite 122	Colorado Springs	CO	80921	719-418-5908
CONNECTICUT								
Cheshire	FE	2016	Lesley Mills	21 Maple Street	Naugatuck	CT	06770	203-759-1454
New Haven	FE	2016	Lesley Mills	116 Sherman Avenue	New Haven	CT	06511	203-776-2273
New London - Middlesex	FE	2016	Lesley Mills	116 Sherman Avenue	New Haven	CT	06511	860-440-3923
E. Hartford	FE	2016	Lesley Mills	1100 New Britain Ave	West Hartford	CT	06110	860-553-0545
W. Hartford	FE	2016	Lesley Mills	1100 New Britain Ave	West Hartford	CT	06107	860-523-0545
Stratford	FE	2016	Cathy Howard	1122 Broadbridge Ave.	Stratford	CT	06615	203-380-2700
DELAWARE								
Kent County*	FE	2016	Beth Copeland	18335 Coastal Highway, Suite 200A	Lewes	DE	19958	302-703-0130
Sussex*	FE	2016	Beth Copeland	18335 Coastal Highway, Suite 200A	Lewes	DE	19958	302-703-0130
New Castle County*	FE	2016	Patrick and Carrie Gray	5145 West Woodmill Drive, Suite 22	Newark	DE	19808	302-416-6758

Territory Name	Model	Year Converted	Franchisee	Address	City	State	Zip	Tel
GEORGIA								
NE Georgia Coast	FE	2016	Mike Falvo	6605 Abercorn Street, Suite 107 A	Savannah	GA	31406	912-349-5264
Lanier	FE	2015	Brad Culp	5400 Laurel Springs Pkwy, Suite 501	Suwanee	GA	30024	770-888-3979
Atlanta NE	FE	2015	Brad & Leasa Culp	1926 Northlake Pkwy, Suite 110	Tucker	GA	30084	770-908-0707
Atlanta NW	FE	2015	Brad Culp	1926 Northlake Pkwy, Suite 110	Tucker	GA	30084	770-908-0707
LOUISIANA								
Baton Rouge	FE	2022	Hunter and Rachel Dale	4637 Jamestown Ave., Suite D	Baton Rouge	LA	70808	225 328-9898
MARYLAND								
Chevy Chase***	FE	2019	Mary Anne Murray and Erin Pickrell	6900 Wisconsin Ave., #5912	Bethesda	MD	20824	301-234-6440
Aspen Hill-Wheaton	FE	2016	Mirza Donegan	14301 Layhill Road, #205	Silver Spring	MD	20906	301-330-7646
Montgomery County North	FE	2016	Mirza Donegan	14301 Layhill Road, #205	Silver Spring	MD	20906	301-330-7646
Prince George CO.	FE	2016	Naomi Turner	5211 Auth Road, Suite 200	Suitland	MD	20746	301-899-3200
MASSACHUSETTS								
Lawrence-Andover	FE	2012	Lee Jacobson	300 Brickstone Sq., Suite 201	Andover	MA	01810	978-475-0820
Northeast MA	FE	2012	Lee Jacobson	300 Brickstone Sq., Suite 201	Andover	MA	01810	978-475-0820
Worcester	FE	2012	Gerald and Jane Rabinovitz	490 Shrewsbury St., Suite G	Worcester	MA	01604	508-797-0400
Northampton	FE	2012	Kirby Detmers	16 Center Street, Suite 209	Northampton	MA	01060	413-517-0074
Springfield	FE	2012	Kirby Detmers	360 Sewall Street	Ludlow	MA	01056	413-385-0012
Berkshire-Franklin	FE	2012	Kirby Detmers		Lee	MA	01238	413-517-0074
MICHIGAN								
Ann Arbor	FE	2016	John McKelvey	2531 Jackson Ave, Suite 141	Ann Arbor	MI	48103	734-645-4730
Bloomfield-West Bloomfield	FE	2016	John McKelvey	2531 Jackson Ave, Suite 141	Ann Arbor	MI	48103	734-645-4730
Metro Detroit NW	FE	2015	Mary Jane Gorman	17278 Farmington Road	Livonia	MI	48152	734-421-8070
Troy-Macomb	FE	2016	Sharlene Nova and Lauren Miller	8344 Hall Rd. Suite 114	Utica	MI	48317	586-254-0672
MINNESOTA								
Moorhead	FE	2016	Josh & Morgan Gilleland	819 30th Ave S., Suite 102	Moorhead	MN	56560	701-850-2000
MISSOURI								
South St. Louis	FE	N/A	Brad Lemen	11140 S. Towne Square, Suite 205	St. Louis	MO	63123	636-330-3202
NEW JERSEY								

Lower Bergen Co.**	FE	2019	Cecilia Greene	4 Banta Place, Suite 5	Hackensack	NJ	07601	201-485-3735
Upper Bergen Co.**	FE	2019	Cecilia Greene	4 Banta Place, Suite 5	Hackensack	NJ	07601	201-485-3735
Essex Co.	FE	2015	Cecilia Greene	111 South Orange Avenue Suite 21	South Orange	NJ	07079	973-378-3000

Territory Name	Model	Year Converted	Franchisee	Address	City	State	Zip	Tel
NORTH CAROLINA								
Burlington	FE	2015	Bruce McReynolds	1400 Battleground Ave Suite 150-C	Greensboro	NC	27408	336-285-7477
Greensboro	FE	2015	Bruce McReynolds	1400 Battleground Ave Suite 150-C	Greensboro	NC	27408	336-285-7477
Eastern Raleigh	FE	2016	Mark Moore	5711 Six Forks Road, Suite 310	Raleigh	NC	27609	919-435-0823
North Raleigh	FE	2016	Mark Moore	5711 Six Forks Road, Suite 310	Raleigh	NC	27609	919-435-0823
South Raleigh	FE	2016	Mark Moore	5711 Six Forks Road, Suite 310	Raleigh	NC	27609	919-435-0823
Wilmington	FE	2016	Mike & Dorothy Griffin	4016 Shipyard Blvd. Suite A	Wilmington	NC	28403	910-515-1378
Winston-Salem	FE	2015	Norm & Patricia Potter	1320 Ashley Square	Winston-Salem	NC	27103	336-462-8472
OHIO								
Medina-Wayne-W Stark	FE	2016	Renato Maiorana	1002 Pearl Road Suite A	Brunswick	OH	44212	330-220-9700
Cincinnati East	FE	2016	Chuck Davis	8044 Montgomery Road, Suite 700	Cincinnati	OH	45236	513-275-1919
Cincinnati - Tri County	FE	2016	Matt Barth	7150 Office Park Drive	West Chester	OH	45069	513-777-7550
South Columbus	FE	2020	Jeff & Susan Boesger	495 Main Street	Groveport	OH	43125	614-769-6978
Fairfield County	FE	2020	Jeff & Susan Boesger	495 Main Street	Groveport	OH	43125	614-769-6978
OKLAHOMA								
Jenks	FE	2016	Tommy & Dominique Oliver	1843 E 15th Street	Tulsa	OK	74104	918-550-8033
Sand Springs	FE	2016	Tommy & Dominique Oliver	1843 E 15th Street	Tulsa	OK	74104	918-550-8033
PENNSYLVANIA								
Cumberland Co.	FE	2016	David Rosen	1926 Market Street	Camp Hill	PA	17011	717-975-0540
Blair Co.	FE	2016	David Rosen	1718 Plank Road	Duncansville	PA	18635	814-696-9100
Pocono Mountains	FE	2016	Vivian Vance	78 South Courtland Street, Suite. 3	East Stroudsburg	PA	18301	570-424-7678
Dauphin Co.	FE	2016	Stephanie Carl	4815 Jonestown Road, Suite 201	Harrisburg	PA	17109	717-234-4009
Berks Co.	FE	2016	Gary Hawkins	947 Penn Avenue	Wyomissing	PA	19610	610-372-9940
SOUTH CAROLINA								
Greenville	FE	2016	Tammy Fairchild-Varty & Jacque Varty	405 S. Pine St.	Spartanburg	SC	29302	864-990-0329
Spartanburg	FE	2016	Tammy Fairchild-Varty & Jacque Varty	405 S. Pine St.	Spartanburg	SC	29302	864-990-0329

Territory Name	Model	Year Converted	Franchisee	Address	City	State	Zip	Tel
TENNESSEE								
Nashville-South	FE	2016	Tim & Beth Walrich	2000 Mallory Lane, Suite 130-126	Franklin	TN	37067	615-591-1245
Nashville-North	FE	2016	Tim & Beth Walrich	170-D East Main Street, Suite 185	Hendersonville	TN	37075	615-451-2273
TEXAS								
Friendswood-La Porte	FE	2015	Brenda & Mark Gross	1110 NASA Parkway, Suite 100	Houston	TX	77058	713-568-4488
Galveston- League City	FE	2015	Brenda & Mark Gross	1110 NASA Parkway, Suite 100	Houston	TX	77058	713-568-4488
Greater South Houston	FE	2016	Caila Shuman	10998 S. Wilcrest Dr. Suite 297	Houston	TX	77099	281-978-4244
Mansfield-Waxahachie	FE	N/A	Viking Dietrich and Brandon Harrison	1011 Highway 6 South, Suite 305	Houston	TX	77077	832-937-9751
Mesquite	FE	N/A	Viking Dietrich and Brandon Harrison	1011 Highway 6 South, Suite 305	Houston	TX	77077	832-937-9751
Southwest Houston	FE	2016	Caila Shuman	10998 S. Wilcrest Dr. Suite 297	Houston	TX	77099	281-978-4244
Mansfield-Waxahachie*	FE	2015	Mike & Lori Gibson	3330 North Galloway Ave, Suite 304-119	Mesquite	TX	75150	972-850-9945
Mesquite	FE	2016	Mike & Lori Gibson	3330 North Galloway Ave, Suite 304-119	Mesquite	TX	75150	972-850-9945
Dallas - North	FE	2016	Marshall & Kacy Oden	6841 Virginia Parkway, Suite 103-168	McKinney	TX	75071	469-301-2227
Garland	FE	2016	Marshall & Kacy Oden	5435 North Garland Ave., Suite #140-512	McKinney	TX	75040	469-301-2227
Rockwall & Rowlett	FE	2016	Marshall & Kacy Oden	5435 North Garland Ave., Suite #140-512	McKinney	TX	75040	469-301-2227
Carrolton-Richardson	FE	2019	Lisa Hall	3308 Preston Road, Suite 350-200	Plano	TX	75093	469-277-3541
McKinney-Frisco	FE	2019	Lisa Hall	3308 Preston Road, Suite 350-200	Plano	TX	75093	469-277-3541
Plano	FE	2019	Lisa Hall	3308 Preston Road, Suite 350-200	Plano	TX	75093	469-277-3541
San Antonio NE	FE	2016	George & Laura McGuire	1380 Pantheon Way, Suite 390	San Antonio	TX	78232	210-967-1200
San Antonio NW	FE	2016	George & Laura McGuire	1380 Pantheon Way, Suite 390	San Antonio	TX	78232	210-967-1200
North Fort Worth	FE	2016	Jeff Ding & Fei Xie	2600 East Southlake Blvd, Suite 120-228	Southlake	TX	76092	817-428-2888
South Lake	FE	2016	Jeff Ding & Fei Xie	2600 East Southlake Blvd, Suite 120-228	Southlake	TX	76092	817-428-2888
West Montgomery County	FE	2020	Gregory Detiveaux	431 Nursery Drive	Spring	TX	77380	832-957-7845
West Montgomery County	FE	2020	Gregory Detiveaux	431 Nursery Drive	Spring	TX	77380	832-957-7845
VERMONT								
Northern Vermont	FE	2016	David & Terri Rosen	237 Commerce St. Suite 140	Williston	VT	05495	802-862-7200

Territory Name	Model	Year Converted	Franchisee	Address	City	State	Zip	Tel
VIRGINIA								
Alexandria	FE	2016	Christine Friedberg	700 Princess Street, Suite 202	Alexandria	VA	22314	703-739-2273
Arlington	FE	2016	Christine Friedberg	700 Princess Street, Suite 202	Alexandria	VA	22314	703-739-2273
Fairfax	FE	2016	Christine Friedberg	700 Princess Street, Suite 202	Alexandria	VA	22314	703-739-2273
McLean/Tyson	FE	2016	Christine Friedberg	700 Princess Street, Suite 202	Alexandria	VA	22314	703-739-2273
Dulles-Herndon	FE	2016	Karen Vassar	5723- A Centre Square Drive	Centreville	VA	20120	703-570-6812
Leesburg/Manassas	FE	2016	Karen Vassar	5723- A Centre Square Drive	Centreville	VA	20120	703-570-6812
Woodbridge/Dale City	FE	2016	Karen Vassar	5723- A Centre Square Drive	Centreville	VA	20120	703-570-6812

* This outlet was transferred from the prior franchisee to the listed franchisee in 2019.
** This outlet was transferred from the prior franchisee to the listed franchisee, and converted from Registry Model to Agency Model, in 2019.
*** This franchisee had signed a Franchise Agreement, but had not yet opened its GHC Business as of December 31, 2019.

Former Agency Model Franchisees That Left the System in 2022*

Franchisee Name	Territory Name(s)	City	State	Telephone	Reason for leaving the System
Mark and Anne Seglem	Colorado Springs	Colorado Springs	CO	719-418-5908	Transfer
Mark and Anne Seglem	Colorado Springs	Colorado Springs	CO	719-418-5908	Transfer
Anne Eidschun	New Castle	Newark	DE	302-416-6758	Transfer
Brian & Cheryl Rice	Lake-Geauga	Painesville	OH	440-358-1600	Non-renewal
Doug DeCoursin	Plano	Plano	TX	469-277-3541	Transfer
Doug DeCoursin	McKinney-Frisco	McKinney-Frisco	TX	469-277-3541	Transfer
Doug DeCoursin	Carrolton-Richardson	Carrolton-Richardson	TX	469-277-3541	Transfer

***** This list includes all those franchisees who ceased to do business under the franchise agreement or had an outlet terminated, cancelled, not renewed within the last fiscal year, or who have not communicated with GHC within 10 weeks of the issuance date of this Disclosure Document.

Agency Model Franchisees with Signed Franchise Agreements

But were not open as of December 31, 2022

Franchisee Name	City	State	Telephone
April Kohnen	San Diego	CA	858-758-9741
Dave Penney	Newport Beach	CA	414-232-8588
Jennifer Mutata	Honolulu	HI	808-230-4769

List of Registry Franchisees
As of December 31, 2022

Territory Name	Franchisee	Address	City	State	Zip	Tel
CALIFORNIA						
Pasadena	Richard Shoop	P.O. Box 92307	Pasadena	CA	91109	626-296-1952
FLORIDA						
Cape Coral	Joe Bachich	10911 Bonita Beach Road SE, Suite 1021	Bonita Springs	FL	34135	239-676-6440
Collier County	Joe Bachich	10911 Bonita Beach Road SE, Suite 1021	Bonita Springs	FL	34135	239-676-6440
Fort Myers	Joe Bachich	10911 Bonita Beach Road SE, Suite 1021	Bonita Springs	FL	34135	239-676-6440
Broward Co.	Joe Bachich	1001 W. Cypress Creek Rd, Suite 409	Ft. Lauderdale	FL	33309	954-578-7189
Florida Keys	Joe Bachich	3434 Riviera Drive	Key West	FL	33040	305-296-9997
Pasco Co	Arthur Moseley	1843 Collier Pkwy	Lutz	FL	33549	813-907-8155
Miami-Dade	Robert N. Kemper	8603 South Dixie Highway, #310	Miami	FL	33143	305-662-4488
North Dade	Robert N. Kemper	8603 South Dixie Highway, #310	Miami	FL	33143	305-662-4488
Pinellas Co.	Meg Mairn	9371 US Hwy 19 N. Suite A	Pinellas Park	FL	33782	727-547-7000
St. Petersburg	Meg Mairn	9371 US Hwy 19 N. Suite A	Pinellas Park	FL	33782	727-547-7000
Tampa East	Arthur Moseley	4917 Ehrlich Road, Suite 102	Tampa	FL	33624	813-343-0272
Tampa West	Arthur Moseley	4917 Ehrlich Road, Suite 102	Tampa	FL	33624	813-343-0272
Manatee	Wil Vigil	333 Tamiami Trail, Suite 174	Venice	FL	34285	941-219-3139
Sarasota	Wil Vigil	1131 Kittiwake Dr	Venice	FL	34285	941-496-9596
North Orange County	Herm Eick & Mary Carter Eick	1850 Lee Rd, Suite 320	Winter Park	FL	32789	407-740-7419
Seminole County	Herm Eick & Mary Carter Eick	1850 Lee Rd, Suite 320	Winter Park	FL	32789	407-740-7419
East Orange County	Herm Eick & Mary Carter Eick	1850 Lee Rd, Suite 320	Winter Park	FL	32789	407-740-7419
ILLINOIS						
Lake County	Michele Running	125 West Park Avenue	Libertyville	IL	60048	847-573-9056
NE Cook County	Michele Running	125 West Park Avenue	Libertyville	IL	60048	847-573-9056

Territory Name	Franchisee	Address	City	State	Zip	Tel
INDIANA						
Columbus	Bobby Crider	2530 Sandcrest Blvd, Suite B	Columbus	IN	47203	812-372-5555
Carmel	Bill Kohler	3905 Bincennes Rd, Suite 303	Indianapolis	IN	46268	317-471-3521
Bloomington	Bobby Crider	7915 S. Emerson Ave – Suite B241	Indianapolis	IN	46237	812-371-5281
South Indy	Bobby Crider	7915 S. Emerson Ave – Suite B241	Indianapolis	IN	46237	812-371-5281
IOWA						
Eastern Iowa	Brian Rummelhart	2346 Nor Street	Iowa City	IA	52240	319-338-7556
MARYLAND						
Salisbury	Justin and Rose Money	212 East Main Street, Suite 218	Salisbury	MD	21801	410-777-8606
Anne Arundel- Kent Island	Rita Cook and Manisha Shrestha	550 M Gov. Ritchie Highway, Suite #202	Severna Park	MD	21146	410-975-9750
MISSOURI						
St. Charles-Warren Counties	Tom Conti	428 McDonough Street, #201	St. Charles	MO	63301	636-856-1036
West St. Louis County	Tom Conti	428 McDonough Street, #201	St. Charles	MO	63301	636-357-3841
NEW JERSEY						
Camden CO	Joe Bachich	404 S. White Horse Pike, PO Box 446	Berlin	NJ	08009	856-809-0099
Hunterdon CO	Stephen Rymal	26 Main Street, 2nd Floor	Flemington	NJ	08822	908-806-0744
Somerset Co.	Ted Dzvileski	111 Omni Dr	Hillsborough	NJ	08844	908-359-5454
Burlington CO	Stephen Rymal	300 Chester Ave., Suite 106	Moorestown	NJ	08057	856-727-0800
Mercer CO	Joe Mandala	780 Livingston Avenue	N. Brunswick	NJ	08902	732-745-7788
Middlesex CO	Jane Mandala	780 Livingston Avenue	N. Brunswick	NJ	08902	732-745-7788
Cape Atlantic CO	Maria Bachich	3323 Simpson Avenue, Suite 2	Ocean City	NJ	08226	609-398-2424
Monmouth CO	Lynette Roslansky	429 Broad Street	Shrewsbury	NJ	07702	732-933-7600
Ocean Co.	Lynette Roslansky	610 Main Street	Toms River	NJ	08753	732-914-9111
Cumberland Co	Maria Bachich	10 South West Avenue	Vineland	NJ	08360	856-692-8765
Union Co.	Martha Ann Heinkel	540 East Broad Street	Westfield	NJ	07090	908-654-3400
Gloucester-Salem Co.	Stephen Rymal	190 N. Evergreen Ave., Ste 201	Woodbury	NJ	08096	856-579-4996

Territory Name	Franchisee	Address	City	State	Zip	Tel
NEW YORK						
Scarsdale	Bob Kreek	141 Parkway Road, Suite 8	Bronxville	NY	10708	914-337-5028
Yonkers	Bob Kreek	141 Parkway Road, Suite 8	Bronxville	NY	10708	914-337-5028
North Syracuse	Michael Assimon	110 Buchmans Close Circle	Fayetteville	NY	13066	315-632-1651
South Syracuse	Michael Assimon	110 Buchmans Close Circle	Fayetteville	NY	13066	315-632-1651
Central Park	Kathleen Boziwick	146 W 95th Street, Suite 1B	New York	NY	10025	212-222-0500
Lower Manhattan	Kathleen Boziwick	146 W 95th Street, Suite 1B	New York	NY	10025	212-222-0500
Midtown Manhattan	Kathleen Boziwick	146 W 95th Street, Suite 1B	New York	NY	10025	212-222-0500
Upper Manhattan	Kathleen Boziwick	146 W 95th Street, Suite 1B	New York	NY	10025	212-222-0500
Northern Rochester	Frank Pettinaro	Latona Office Park 550 Latona Rd, Suite #406, Bldg D	Rochester	NY	14626	585-880-7773
NORTH CAROLINA						
Asheville	Rae Booth	3 Glenway Drive	Asheville	NC	28804	828-348-0988
Pinehurst	Robert Bonville	168 Westgate Drive	Pinehurst	NC	28374	910-687-6876
NORTH DAKOTA						
Fargo – Grand Forks	Josh Gilleland	819 30th Ave S., Suite 102	Moorhead	MN	56560	701-850-2000
OHIO						
Lorain-Erie-Huron	Scott & Peggy Kaase	260 South Main Street, Suite 216	Amherst	OH	44001	440-835-7900
NE Franklin-Delaware Co.	Scott & Peggy Kaase	4705 North High Street	Columbus	OH	43214	614-447-2100
NW Franklin CO	Scott & Peggy Kaase	4705 North High Street	Columbus	OH	43214	614-447-2100
Summit Southern Cuyahoga	Cathy Ricker	9251 Sprague Road, Suite 105	North Royalton	OH	44133	440-582-5890
W. Cuyahoga Co.	Scott & Peggy Kaase	26220 Center Ridge Road, Suite B Lower Level	Westlake	OH	44145	440-835-7900
PENNSYLVANIA						
NorCenPenn	Andrew Hefflinger	589 East 7th Street, Suite 3B	Bloomsburg	PA	17815	570-752-5552
Lancaster Co.	Gale Bachich	72 Pottstown Pike, Suite 102	Chester Springs	PA	19425	610-458-7100
Chester Co.	Gale Bachich	72 Pottstown Pike, Suite 102	Chester Springs	PA	19425	610-458-7100
Griswold Home Care of Philadelphia Lwr. NE	David Rosen	1515 Market St., Suite 1200	Philadelphia	PA	19102	215-482-7880
Special Care Abington-Grtr NE	Cathy Sheehan Thomer	2745 Terwood Road, 2nd Floor	Willow Grove	PA	19090	215-885-0311

Territory Name	Franchisee	Address	City	State	Zip	Tel
SOUTH CAROLINA						
Anderson-Laurens	Sean Kelley & Richard Merck	422 College Avenue, Suite 500	Clemson	SC	29631	864-442-6977
Pickens	Sean Kelley & Richard Merck	422 College Avenue, Suite 500	Clemson	SC	29631	864-442-6977
Charleston	Joe Bachich	120 Springhall Drive, Suite F	Goose Creek	SC	29445	843-375-3044
Hilton Head	Mike Falvo	1000 Main Street Suite 200E	Hilton Head	SC	29926	843-785-6400
Myrtle Beach - Georgetown	Joe Bachich	195 Prather Park Drive Unit A	Myrtle Beach	SC	29588	843-488-2849
Lexington	Joe Bachich	3935 Sunset Blvd Unit I	West Columbia	SC	29169	239-600-0571
WASHINGTON						
Bellevue	Ken Krajewski	8630 NE 24th St.	Bellevue	WA	98004	425-922-1617

Former Registry Model Franchisees
That Left the System in 2022

Franchisee Name	Territory Name(s)	City	State	Telephone	Reason for leaving the System
Rich Smith	North Orange County	Chester	NY	801-829-3421	Terminated
Barry Griffin	Jacksonville Beach	Jacksonville	FL	904-325-9815	Nonrenewal
Barry Griffin	St. Augustine	Jacksonville	FL	904-325-9815	Nonrenewal
Greg Gorman	Broward Co.	Ft. Lauderdale	FL	954-578-7189	Transfer
Hunter Dale	Baton Rouge	Baton Rouge	LA	225-328-9898	Switched Model

EXHIBIT F

FINANCIAL STATEMENTS

Griswold International, LLC and Subsidiary

Consolidated Financial Report
January 1, 2023

Contents

Independent Auditor's Report

Members
Griswold International, LLC and Subsidiary

Opinion
We have audited the accompanying consolidated financial statements of Griswold International, LLC and Subsidiary (the Company), which comprise the consolidated balance sheets as of January 1, 2023 and January 2, 2022, the related consolidated statements of operations, members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of January 1, 2023 and January 2, 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for 12 months beyond the date of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

RSM US LLP

Blue Bell, Pennsylvania
March 9, 2023

Griswold International, LLC and Subsidiary

Consolidated Balance Sheets
January 1, 2023 and January 2, 2022

	2022	2021
Assets		
Current assets:		
Cash, cash equivalents and restricted cash	$ 3,248,746	$ 4,808,464
Accounts receivable, net of allowance for doubtful accounts of $167,443 in 2022 and $137,295 in 2021	572,851	754,521
Prepaid expenses and other current assets	451,138	450,286
Total current assets	4,272,735	6,013,271
Property and equipment, net	381,727	470,979
Other assets:		
Intangible assets, net of accumulated amortization of $9,817,587 in 2022 and $8,973,020 in 2021	20,712,748	21,557,315
Goodwill, net of accumulated amortization of $15,531,520 in 2022 and $13,563,788 in 2021	2,165,804	3,933,536
Right-of-use assets, net	1,912,973	-
Due from Griswold Investors LLC	1,856,855	1,856,855
Security deposits	43,611	43,118
	26,691,991	27,390,824
Total assets	$ 31,346,453	$ 33,875,074
Liabilities and Members' Equity		
Current liabilities:		
Current maturities of long-term debt	$ 705,000	$ 411,250
Accounts payable	509,691	167,979
Accrued expenses	759,097	1,749,460
Short-term lease liability	447,577	-
Current portion of deferred revenue	195,915	232,636
Total current liabilities	2,617,280	2,561,325
Deferred revenue, net of current portion	505,150	468,877
Long-term lease liability	1,622,728	-
Long-term debt, net of current portion and loan origination fees	7,850,454	8,571,267
Total liabilities	12,595,612	11,601,469
Commitments and contingencies (Note 7)		
Members' equity	18,750,841	22,273,605
Total liabilities and members' equity	$ 31,346,453	$ 33,875,074

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Operations
Years Ended January 1, 2023 and January 2, 2022

	2022	2021
Revenues:		
Company-owned units	**$ 13,893,507**	$ 14,788,842
Royalties and marketing fee	**7,992,241**	7,880,019
Initial franchise fees	**280,650**	272,079
Total revenues	**22,166,398**	22,940,940
Expenses:		
Operating expenses	**16,235,669**	16,964,590
Selling, general and administrative expenses	**2,324,550**	2,279,450
Depreciation and amortization	**2,877,286**	3,031,930
Management fees	**166,873**	167,004
Unit-based compensation expense	**126,490**	123,580
Total expenses	**21,730,868**	22,566,554
Operating income	**435,530**	374,386
Forgiveness of Paycheck Protection Program loans	**-**	(2,607,757)
Interest expense, net	**565,384**	610,354
Net (loss) income	**$ (129,854)**	$ 2,371,789

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Members' Equity
Years Ended January 1, 2023 and January 2, 2022

Balance, December 31, 2020	$ 20,072,907
Stock repurchase	(294,671)
Unit-based compensation expense, net	123,580
Net income	2,371,789
Balance, January 2, 2022	22,273,605
Stock repurchase	(3,629,400)
Stock issuance	110,000
Unit-based compensation expense, net	126,490
Net loss	(129,854)
Balance, January 1, 2023	**$ 18,750,841**

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Cash Flows
Years Ended January 1, 2023 and January 2, 2022

		2022		2021
Cash flows from operating activities:				
Net (loss) income	**$**	**(129,854)**	$	2,371,789
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization		**2,877,286**		3,031,930
Unit-based compensation expense		**126,490**		123,580
Forgiveness of Paycheck Protection Program loans		**-**		(2,607,757)
(Increase) decrease in:				
Accounts receivable		**181,670**		390,602
Due from related parties		**-**		350,000
Prepaid expenses and other current assets		**(852)**		(31,698)
Operating leases		**157,332**		-
Security deposits		**(493)**		(4,256)
Increase (decrease) in:				
Accounts payable		**341,712**		(593,722)
Accrued expenses		**(990,363)**		262,769
Accrued interest		**-**		(52,373)
Deferred revenue		**(448)**		(121,004)
Net cash provided by operating activities		**2,562,480**		3,119,860
Cash flows from investing activities:				
Purchase of property and equipment		**(132,798)**		(123,887)
Net cash used in investing activities		**(132,798)**		(123,887)
Cash flows from financing activities:				
Proceeds from stock issuance		**110,000**		-
Borrowings under new senior debt		**-**		9,400,000
Repayment of senior term loan		**(470,000)**		(14,603,801)
Repayment of revolving line of credit		**-**		(1,900,000)
Debt issuance costs		**-**		(214,686)
Repurchase of stock		**(3,629,400)**		(294,671)
Net cash used in financing activities		**(3,989,400)**		(7,613,158)
Net decrease in cash, cash equivalents and restricted cash		**(1,559,718)**		(4,617,185)
Cash, cash equivalents and restricted cash, beginning		**4,808,464**		9,425,649
Cash, cash equivalents and restricted cash, ending	**$**	**3,248,746**	$	4,808,464
Supplemental disclosure of cash flow information:				
Cash paid during the year for:				
Interest	**$**	**565,384**	$	663,192
Supplemental cash flow information related to leases is as follows for the year ended January 1, 2023:				
Right-of-use assets obtained in exchange for new lease obligations:				
Operating leases at January 3, 2022 (adoption)	**$**	**2,087,214**	$	-
Operating leases executed in 2022	**$**	**236,439**	$	-
Amortization of right-of-use assets	**$**	**410,680**	$	-

See notes to consolidated financial statements.

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of operations: Griswold International, LLC and Subsidiary (the Company) supplies administrative support to Company-owned units and franchisees, which provide client services to elderly and disabled persons receiving assistance with activities of daily living, instrumental activities of daily living, personal care, homemaking and companionship services from direct care providers primarily throughout the United States.

In 2016, the Company created Griswold International Care of NJ, LLC as a wholly owned subsidiary of the Company.

A summary of the Company's significant accounting policies is as follows:

Change in accounting year-end: In 2021, the Company converted its year-end to a 52-week fiscal year ending the closest Sunday to December 31. Prior to 2021, the Company operated on a calendar-based year. Throughout the consolidated financial statements, the period commencing January 3, 2022 and ended January 1, 2023, is referred to as 2022, and the period commencing January 1, 2021 and ended January 2, 2022, is referred to as 2021.

Fiscal year: In 2021, the Company's fiscal year ends on the Sunday closest to December 31. Accordingly, the financial statements include the 52-week period ended January 1, 2023 (2022) and the 52-week period ended January 2, 2022 (2021).

Principles of consolidation: The consolidated financial statements include the accounts of Griswold International, LLC and its wholly owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

Revenue recognition: The Company derives its significant revenue from the following three principal sources:

Initial franchise fees: *A* portion of initial franchise fees are recognized on a straight-line basis over the term of each respective franchise agreement, which is consistent with the franchisee's right to use and benefit from the exclusivity of territory and operational support. For the portion of the initial franchise fees that are considered to be individually distinct from the ongoing services provided to the franchisee, the Company recognizes those initial franchise fees as each individual performance obligation is satisfied. The Company applies this to all customer contracts as of the date of the initial agreement.

Royalties: Franchisees are obligated to remit certain percentages of their revenue to the Company for continuing royalties and marketing fees. Royalties are recognized by the Company as the franchisee recognizes revenue.

Marketing fees are for future advertising, marketing and promotional programs. The majority of the Company's franchise network contribute part of its gross revenues as defined in the franchise agreement to the Company to promote the products and services offered by the franchise network. The gross revenues and expenses associated with these payments are recognized in the consolidated statements of operations, having no effect on the net operation results.

Company-owned units: Revenue is recorded from Company-owned units based upon services performed for clients and operating expenses of caregiver wages.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

As discussed above, revenue from a portion of initial franchise fees is recognized at both a point in time and over time. Revenue from royalties and Company-owned units are recognized at a point in time. Total revenue recognized at a point in time and over time was as follows for 2022 and 2021:

	2022	2021
Revenue recognized over time	$ 243,450	$ 244,179
Revenue recognized at a point in time	21,922,948	22,696,761
	$ 22,166,398	$ 22,940,940

Use of estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate relates to allowances for doubtful accounts.

Cash, cash equivalents and restricted cash: Cash and other highly liquid investments with maturities of three months or less are considered to be cash equivalents. Restricted cash consists of funds held in money market and escrow accounts and primarily restricted for security deposits for real estate leases.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets and consolidated statements of cash flows:

	2022	2021
Cash and cash equivalents	$ 3,196,074	$ 4,707,969
Restricted cash	52,672	100,495
	$ 3,248,746	$ 4,808,464

Accounts receivable: Accounts receivable consist principally of amounts invoiced for services, royalties and other miscellaneous fees. The Company records an allowance for uncollectible receivables based on review of all outstanding amounts on a monthly basis and evaluation of the creditworthiness of its franchisee. For trade receivables, the Company generally does not require collateral from its franchisees. An allowance for doubtful accounts is recorded through charges to earnings in the form of a charge to bad debt expense. The Company periodically reviews and writes off accounts receivable once it is determined that the account cannot be collected. Recoveries of accounts receivable previously written off are recorded into income when received in cash.

Property and equipment: Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation is calculated using a straight-line method over the estimated useful lives of the related assets. Leasehold improvements made to leased property are amortized over the shorter of the estimated useful lives of the improvements or the lease term.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

The estimated useful lives of property and equipment are:

	Years
Computer equipment	3
Information technology system	5
Furniture and fixtures	7
Leasehold improvements	7

Advertising: The majority of the Company's franchise network contribute part of its gross revenues as defined in the franchise agreement to the Company to promote the products and services offered by the franchise network.

The Company expenses advertising costs as they are incurred. Advertising costs included in selling expenses were $14,142 and $21,195 for the years ended January 1, 2023 and January 2, 2022, respectively.

Impairment of long-lived assets: The Company assesses impairment of long-lived assets, which includes property and equipment and definite lived intangibles, whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of the assets and their eventual disposition is less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. At January 1, 2023 and January 2, 2022, no impairment was noted.

Intangible assets: The Company's intangible assets that have a definite life are amortized on a straight-line basis over the following estimated useful lives:

	Years
Franchise agreement	30
Customer relationships	2
Other	3-5

Goodwill: The Company records as goodwill the excess of the fair value of the purchase price over the fair value of the identifiable net assets acquired. The Company adopted Accounting Standards Update (ASU) 2014-02, *Intangibles—Goodwill and Other (Topic 350): Accounting for Goodwill (A Consensus of the Private Council),* which provides an accounting alternative for the subsequent measurement of goodwill. Goodwill is amortized on a straight-line basis over a period of 10 years. The Company evaluates goodwill for impairment at the entity level if a triggering event occurs and has elected to be treated as one reporting unit for testing purposes. For the years ended January 1, 2023 and January 2, 2022, the Company assessed the totality of events and circumstances, and concluded that it is not likely the goodwill is impaired. The Company recorded $1,767,732 in goodwill amortization for each of the years ended January 1, 2023 and January 2, 2022.

Trademark: Trademark represents an indefinite lived intangible related to the value of the Griswold trade name. The Company evaluates the trademark for impairment annually. The impairment test performed compares the fair value under the relief of royalty method to the carrying value. There was no impairment charge in 2022 or 2021.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Loan origination fees: Loan origination fees consist of costs related to the issuance of debt and are amortized over the life of the related loans, which are five years. Amortization expense of $42,937 and $167,531 was recorded for years ended January 1, 2023 and January 2, 2022, respectively. Loan origination fees are shown net of debt in both 2022 and 2021. Future amortization of these costs are as follows:

Years ending December 31:		
2023	$	42,937
2024		42,937
2025		42,937
2026		10,735

Unit-based compensation: The Company follows the accounting standards requiring companies to measure all employee unit-based compensation awards using a fair value method and record such expense in its consolidated financial statements.

Income taxes: The Company is being treated as a partnership for federal income tax purposes. As such, no provision for income taxes is recorded at the Company level as all income and losses are allocated to the members. The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions.

The Company follows the Financial Accounting Standards Board (FASB) guidance for accounting for uncertainty in income taxes. Management has evaluated the tax positions of the Company and concluded that it has taken no uncertain tax positions that require disclosure in the consolidated financial statements. With few exceptions, the Company is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2019.

The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the tax position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Accounting for uncertainty in income taxes also addresses derecognition, classification, interest and penalties on income taxes and accounting in interim periods.

Concentrations of credit risk: The Company maintains cash balances at various financial institutions. At various times, the balances on deposit may exceed the amounts insured by the Federal Deposit Insurance Corporation.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge against earnings and a credit to a valuation account based on its assessment of the current status of individual accounts. Balances still outstanding after management has made a reasonable collection effort are written off through a charge to the valuation account and a credit to accounts receivable.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Leases: In February 2016, the FASB issued Accounting Standards Codification (ASC) Topic 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the statement of operations. The Company adopted Topic 842 on January 3, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the Company has applied Topic 842 to reporting periods beginning on January 3, 2022, while prior periods continue to be reported and disclosed in accordance with the Company's historical accounting treatment under ASC Topic 840, Leases.

The Company elected the "package of practical expedients" under the transition guidance within Topic 842, in which the Company does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The Company has not elected to adopt the "hindsight" practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on January 3, 2022.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 3, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

The Company did not make the accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of Topic 842 resulted in the recording of additional ROU assets and lease liabilities related to the Company's operating leases of approximately $2,087,214 and $2,087,214, respectively, at January 3, 2022. The adoption of the new lease standard did not materially impact consolidated operations or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of members' equity.

Subsequent events: The Company has evaluated subsequent events through March 9, 2023, the date on which the consolidated financial statements were issued, and determined there were no events or matters requiring disclosure or recognition in the consolidated financial statements.

Note 2. Property and Equipment

Property and equipment at January 1, 2023 and January 2, 2022, consists of the following:

	2022	2021
Computer equipment	$ 222,266	$ 221,229
Information technology system	571,056	543,260
Leasehold improvements	241,031	216,828
Furniture and fixtures	250,627	231,574
Vehicle purchase	31,200	31,200
	1,316,180	1,244,091
Less accumulated depreciation and amortization	934,453	773,112
Total property and equipment, net	$ 381,727	$ 470,979

Depreciation and amortization of property and equipment was $222,050 and $252,100 for the years ended January 1, 2023 and January 2, 2022, respectively.

Note 3. Leases

The Company leases real estate under operating lease agreements with terms ranging from 1 to 7.5 years and interest rates ranging from 0.40% to 1.55%. The Company's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. The components of lease expense are as follows for the year ended January 1, 2023:

Operating lease cost	$ 507,815
Total lease cost	$ 507,815

Note 3. Leases (Continued)

The following table summarizes supplemental consolidated balance sheet information related to leases at January 1, 2023:

Operating lease assets (right-of-use asset)	$	1,912,973
Total lease assets	$	1,912,973
Operating lease liabilities (short-term liabilities)	$	447,577
Operating lease liabilities (long-term liabilities)		1,622,728
	$	2,070,305

The following table summarizes weighted average remaining lease term and weighted average discount rate at January 1, 2023:

	Weighted Average	
	Remaining lease term (years)	Discount Rate
Operating leases	3.73	1.25%

The following table provides future minimum payments at January 1, 2023, by year and the aggregate, for leases having noncancellable leases terms in excess of one year:

Years ending December 31:		
2023	$	475,054
2024		412,640
2025		400,462
2026		401,835
2027		395,280
Thereafter		63,381
Future minimum lease payments		2,148,652
Less: present value discount		(78,347)
Present value of net minimum lease payments	$	2,070,305

Rent expense was $507,815 and $470,799 for the years ended January 1, 2023 and January 2, 2022, respectively.

Future minimum lease commitments, as determined under Topic 840, for all non-cancelable leases are as follows as of January 1, 2023:

Years ending December 31:		
2023	$	475,054
2024		412,640
2025		400,462
2026		401,835
2027		395,280
Thereafter		63,381
Future minimum lease payments	$	2,148,652

Note 4. Goodwill and Intangible Assets

Identifiable intangible assets at January 1, 2023 and January 2, 2022, consist of the following:

	2022			
	Weighted-Average Life (in Months)	Cost	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:				
Franchise agreements	360	$ 25,337,000	$ 8,519,923	$ 16,817,077
Customer relationships	24	1,118,000	1,118,000	-
Other	36-60	179,664	179,664	-
Total definite-lived intangible assets		26,634,664	9,817,587	16,817,077
Indefinite-lived intangible assets:				
Trademark	Indefinite	3,895,671	-	3,895,671
Total indefinite-lived intangible assets		3,895,671	-	3,895,671
Total intangible assets		$ 30,530,335	$ 9,817,587	$ 20,712,748

	2021			
	Weighted-Average Life (in Months)	Cost	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:				
Franchise agreements	360	$ 25,337,000	$ 7,685,557	$ 17,651,443
Customer relationships	24	1,118,000	1,118,000	-
Other	36-60	179,664	169,463	10,201
Total definite-lived intangible assets		26,634,664	8,973,020	17,661,644
Indefinite-lived intangible assets:				
Trademark	Indefinite	3,895,671	-	3,895,671
Total indefinite-lived intangible assets		3,895,671	-	3,895,671
Total intangible assets		$ 30,530,335	$ 8,973,020	$ 21,557,315

Amortization expense was $844,567 and $844,567 for the years ended January 1, 2023 and January 2, 2022, respectively.

The estimated aggregate amortization expense for each of the next five years is as follows:

Years ending December 31:	
2023	$ 844,567
2024	844,567
2025	844,567
2026	844,567
2027	844,567

Note 4. Goodwill and Intangible Assets (Continued)

The following summarizes the changes to goodwill during the years ended January 1, 2023 and January 2, 2022:

Goodwill, December 31, 2020	$ 5,701,268
Goodwill amortization	(1,767,732)
Goodwill, January 2, 2022	3,933,536
Goodwill amortization	(1,767,732)
Goodwill, January 1, 2023	$ 2,165,804

Estimated future aggregate amortization expense for goodwill for the next four years is as follows:

Years ending December 31:	
2023	$ 1,767,732
2024	174,280
2025	157,900
2026	65,891

Note 5. Long-Term Debt

Senior debt: On May 4, 2017, the Company refinanced its senior debt with Sterling National Bank. The credit facility the Company entered into included a five-year term loan in the amount of $13,000,000 and a revolving line of credit, with borrowing capacity of $2,000,000. Principal payments on the term loan were due in quarterly installments, which began July 1, 2017, with the remaining unpaid balance due on May 4, 2022.

On March 17, 2020, the Company drew $1,900,000 of the revolving line of credit that is available. Advances on the line of credit bears interest at the same rate as the term loan. The balance outstanding on the revolving line of credit for both January 1, 2023 and January 2, 2022, was $0.

On March 8, 2021, the Company entered into an amendment of its senior debt agreement with Sterling National Bank. The remaining outstanding original term loan balance was converted into a new five-year term loan in the amount of $9,400,000. Principal payments on the term loan are due in quarterly installments, which began on April 1, 2021, with the remaining unpaid balance due on March 8, 2026. The loan bears interest at the three-month London Interbank Offered Rate (LIBOR) plus 4.75%. If the three-month LIBOR is below 1%, then the interest rate will be 1% plus 4.75% (8.75% at January 1, 2023).

The lender also requires additional payment of excess cash flow as defined by the loan agreement. Additionally, certain prepayment penalties exist to the extent the loan is repaid prior to the maturity date. The senior debt facility is collateralized by substantially all of the Company’s assets.

Under the terms of the Company’s credit facility, the Company is required to maintain certain financial covenants, including both fixed-charge ratios and leverage ratios.

Note 5. Long-Term Debt (Continued)

Senior subordinated debt: On November 26, 2012, Financial Health Services, LLC (FHS), a related party, and the Company entered into a senior subordinated debt agreement in the amount of $8,400,000, which the Company was responsible for $7,818,661 with Stonehenge Opportunity Fund. The senior subordinated debt facility was subordinated to the senior debt facility. The senior subordinated note bears interest at an annual rate of 14% with 11% payable quarterly in cash and 3% payable in kind or cash at FHS and the Company's option. The senior subordinated note had a term of six years, and was due on November 26, 2018.

On May 4, 2017, the Company executed an amended and restated agreement with Stonehenge Opportunity Fund. The senior subordinated debt facility is subordinated to the senior debt facility. The senior subordinated note has a term of 5½ years and is due on November 3, 2022. In connection with the amended and restated agreement, the Company repaid $3,412,896 of the outstanding principal and interest balance in 2017, and repaid the remaining balance in 2021.

Paycheck Protection Program: On April 30, 2020, a subsidiary of the Company was approved for a $432,500 loan under the Paycheck Protection Program (the PPP) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). On May 7, 2020, Griswold International, LLC was approved for a $2,175,257 loan under the same program (collectively, PPP Loans). In accordance with the requirements of the CARES Act, the Company used the proceeds from the loans to cover qualified expenses, including payroll costs, rent and utility costs. Interest accrues on each of the loans at a rate of 1.00% per annum. Each of the borrowers may apply for forgiveness of the amounts due under its respective loan, in an amount equal to the sum of qualified expenses under the PPP, which include payroll costs, rent obligations, and covered utility payments incurred during the 24 weeks following disbursement under each of the loans. Subject to any forgiveness under the PPP, each of the loans matures two years following the date of issuance of the loan and includes a period for the first six months during which time required payments of interest and principal are deferred. Beginning on the seventh month following the date of the loans, each borrower is required to make 18 monthly payments of principal and interest. The loans may be prepaid at any time prior to maturity with no prepayment penalties. The loans provide for customary events of default, including, among others, those relating to failure to make payments, bankruptcy, breaches of representations and material adverse effects. The borrowers did not provide any collateral or guarantees for the loans.

On January 25, 2021, the Company was notified that the balance due under the PPP loan taken by the subsidiary had been fully forgiven in accordance with the terms and conditions of the PPP.

On June 1, 2021, the Company was notified that the balance due under the PPP loan taken by Griswold International, LLC had been fully forgiven in accordance with the terms and conditions of the PPP.

The Small Business Administration (SBA) has up to six years after it forgave the loan to audit whether the Company truly qualified for the PPP loan and met the conditions necessary for forgiveness of the loan.

Note 5. Long-Term Debt (Continued)

Following is a summary of long-term debt at January 1, 2023 and January 2, 2022:

	2022	2021
Term note	$ 8,695,000	$ 9,165,000
	8,695,000	9,165,000
Less loan origination fees	139,546	182,483
	8,555,454	8,982,517
Less current maturities	705,000	411,250
Total long-term debt, net of current maturities	$ 7,850,454	$ 8,571,267

Principal maturities of long-term debt is as follows:

Years ending December 31:	
2023	$ 705,000
2024	940,000
2025	940,000
2026	6,110,000
	$ 8,695,000

Note 6. Unit-Based Compensation

The Company initially issued unit options to certain officers of the Company on December 31, 2012, under its 2012 Unit Options Plan (the Plan). The Plan authorized 30,392 units for issuance as unit options under the Plan.

Options granted under the Plan are at prices equal to the fair market value at the date of grant. Upon exercise of the unit options, the Company issues units from authorized but unissued units. At January 1, 2023, the Company had reserved 1,938 units of Class A-2 Units for possible future issuance under the Plan.

Unit-based compensation expense is recorded in the consolidated statements of operations. The Company recorded $126,490 and $123,580 of compensation expense related to awards during the years ended January 1, 2023 and January 2, 2022, respectively.

All outstanding service-based awards generally vest over five years after the date of grant and expires 10 years after the date of grant. Compensation expense is recognized over the requisite service period using the straight-line method. The requisite service period is the period over which the award vests.

Note 6. Unit-Based Compensation (Continued)

Option activity of the Plan is summarized below:

	Units		Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in Years)
Outstanding at December 31, 2020	21,208	$	100.00	4.73
Options issued	6,150		100.00	9.16
Options forfeited	(3,800)		100.00	3.60
Options repurchased	-		-	-
Outstanding at January 2, 2022	23,558	$	100.00	7.00
Options exercisable at January 2, 2022	9,038			
Outstanding at January 2, 2022	23,558	$	100.00	7.00
Options issued	5,600		100.00	9.30
Options forfeited	(2,800)		100.00	7.40
Options repurchased	-		-	-
Outstanding at January 1, 2023	26,358	$	-	6.40
Options exercisable at January 1, 2023	11,778			

Note 7. Commitments and Contingencies

Litigation and contingencies: From time to time, the Company may be involved in various claims, lawsuits, disputes with third parties, actions involving allegations or breach of contract actions incidental to the normal operations of the business. The Company is currently not involved in any such litigation, which management believes could have a material adverse effect on its financial position or results of operations.

Note 8. Defined Contribution Plan

The Company sponsors a defined contribution plan covering all eligible employees. The Company matches 100% of the participant’s contribution up to 3% of compensation and 50% of matched employee contributions exceeding 3% to a maximum of 5% of eligible compensation. Contribution expense to the plan was $180,837 and $150,448 for the years ended January 1, 2023 and January 2, 2022, respectively.

Note 9. Related-Party Transactions

During 2018, the Company received a capital contribution of $2,200,000 from its parent company. The Company then lent $2,000,000 to FHS in order for FHS to pay down its liabilities. The remaining $200,000 of capital contribution was reimbursed to the Company for cost of the capital raise associated with the capital contribution. The balance of the loan receivable with FHS was $2,000,000 as of December 31, 2019. This amount was reported net of an allowance of $1,500,000 as of December 31, 2019. The balance of the loan receivable was written down to the realizable value of $350,000 as of December 31, 2020. During 2021, the Company collected an additional $332,204 of this balance, and the remaining balance of $17,796 as of January 2, 2022, is recorded as accounts receivable. As of January 3, 2023, the Company collected $450 and the remaining balance is $17,346.

The Company has entered into a management agreement with an affiliated entity of a member of the Company to provide management and advisory services. The term of this agreement is five years with an annual fee based on a percentage of the prior year's earnings before interest, taxes, depreciation and amortization (EBITDA). The Company recorded a management fee expense of $166,873 and $167,004 for the years ended January 1, 2023 and January 2, 2022, respectively.

Due from Griswold Investors, LLC represents funds advanced to an entity related through common ownership to the Company. Amounts due are due on demand and do not bear interest.

Note 10. Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The ASU requires financial assets measured at amortized cost (including loans, trade receivables and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write-down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the statement of operations as the amounts expected to be collected change. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the impact of adopting this new guidance on its consolidated financial statements.

In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Facilitation of the Effect of Reference Rate Reform on Financial Reporting.* This ASU provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing effect of) reference rate reform on financial reporting. The provisions of the ASU are effective as of March 12, 2020 through December 31, 2022. Management is evaluating the impact of this standard on the Company's consolidated financial statements.

Note 11. COVID-19

During the year ended December 31, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a pandemic. COVID-19 could negatively impact the Company's operations. The extent to which COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and actions taken to contain it or its impact, among other factors.

Griswold International, LLC and Subsidiary

Consolidated Financial Report
January 2, 2022

Contents

Independent Auditor's Report

Members
Griswold International, LLC and Subsidiary

Opinion
We have audited the accompanying consolidated financial statements of Griswold International, LLC and Subsidiary (the Company), which comprise the consolidated balance sheets as of January 2, 2022 and December 31, 2020, the related consolidated statements of operations, members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of January 2, 2022 and December 31, 2020, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for 12 months beyond the date of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 GAAS, we:

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

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

RSM US LLP

Blue Bell, Pennsylvania
February 25, 2022

Griswold International, LLC and Subsidiary

Consolidated Balance Sheets
January 2, 2022 and December 31, 2020

		2021		2020
Assets				
Current assets:				
Cash, cash equivalents and restricted cash	$	**4,808,464**	$	9,425,649
Accounts receivable, net of allowance for doubtful accounts of $137,295 in 2021 and $103,362 in 2020		**754,521**		1,145,123
Due from FHS, net of allowance for doubtful accounts of $0 in 2021 and $0 in 2020		**-**		350,000
Prepaid expenses and other current assets		**450,286**		418,588
Total current assets		**6,013,271**		11,339,360
Property and equipment, net		**470,979**		599,191
Other assets:				
Intangible assets, net of accumulated amortization of $8,973,020 in 2021 and $8,128,453 in 2020		**21,557,315**		22,401,882
Goodwill, net of accumulated amortization of $13,563,788 in 2021 and $11,796,056 in 2020		**3,933,536**		5,701,269
Due from Griswold Investors LLC		**1,856,855**		1,856,855
Security deposits		**43,118**		38,862
		27,390,824		29,998,868
Total assets	**$**	**33,875,074**	$	41,937,419
Liabilities and Members' Equity				
Current liabilities:				
Current maturities of long-term debt	**$**	**411,250**	$	3,222,269
Accounts payable		**167,979**		761,701
Accrued interest		**-**		52,373
Accrued expenses		**1,749,460**		1,486,691
Current portion of deferred revenue		**232,636**		234,333
Total current liabilities		**2,561,325**		5,757,367
Deferred revenue, net of current portion		**468,877**		588,184
Long-term debt, net of current portion and loan origination fees		**8,571,267**		15,518,961
Total liabilities		**11,601,469**		21,864,512
Commitments and contingencies (Note 6)				
Members' equity		**22,273,605**		20,072,907
Total liabilities and members' equity	**$**	**33,875,074**	$	41,937,419

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Operations
Years Ended January 2, 2022 and December 31, 2020

	2021	2020
Revenues:		
Company-owned units	**$ 14,788,842**	$ 13,769,431
Royalties and marketing fee	**7,880,019**	7,680,204
Initial franchise fees	**272,079**	260,410
Total revenues	**22,940,940**	21,710,045
Expenses:		
Operating expenses	**16,964,590**	16,039,150
Selling, general and administrative expenses	**2,279,450**	2,116,683
Depreciation and amortization	**3,031,930**	2,912,678
Management fees	**167,004**	186,297
FHS receivable write-off	**-**	150,000
Unit-based compensation expense	**123,580**	84,006
Total expenses	**22,566,554**	21,488,814
Operating income	**374,386**	221,231
Forgiveness of Payroll Protection Program loans	**(2,607,757)**	-
Interest expense, net	**610,354**	1,460,872
Net Income/(loss)	**$ 2,371,789**	$ (1,239,641)

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Members' Equity
Years Ended January 2, 2022 and December 31, 2020

Balance, January 1, 2020	$ 20,972,919
Stock issuance	255,623
Unit-based compensation expense, net	84,006
Net loss	(1,239,641)
Balance, December 31, 2020	20,072,907
Stock repurchase	(294,671)
Unit-based compensation expense, net	123,580
Net income	2,371,789
Balance, January 2, 2022	**$ 22,273,605**

See notes to consolidated financial statements.

Griswold International, LLC and Subsidiary

Consolidated Statements of Cash Flows
Years Ended January 2, 2022 and December 31, 2020

	2021	2020
Cash flows from operating activities:		
Net income / (loss)	$ 2,371,789	$ (1,239,641)
Adjustments to reconcile net income / (loss) to net cash provided by operating activities:		
Depreciation and amortization	3,031,930	2,912,678
Loss on disposal of fixed assets	-	16,053
FHS receivable write-off	-	150,000
Unit-based compensation expense	123,580	84,006
Forgiveness of Payroll Protection Program loans	(2,607,757)	-
(Increase) decrease in:		
Accounts receivable	390,602	11,422
Due from related parties	350,000	3,364
Prepaid expenses and other current assets	(31,698)	155,945
Security deposits	(4,256)	21,961
Increase (decrease) in:		
Accounts payable	(593,722)	(58,642)
Accrued expenses	262,769	233,812
Accrued interest	(52,373)	(7,938)
Deferred revenue	(121,004)	(121,695)
Net cash provided by operating activities	3,119,860	2,161,325
Cash flows from investing activities:		
Purchase of property and equipment	(123,887)	(483,148)
Net cash used in investing activities	(123,887)	(483,148)
Cash flows from financing activities:		
Proceeds from Payroll Protection Program borrowings	-	2,607,757
Borrowings from revolving line of credit	-	1,900,000
Proceeds from stock issuance	-	255,623
Borrowings under new senior debt	9,400,000	-
Repayment of senior term loan	(14,603,801)	(1,411,883)
Repayment of revolving line of credit	(1,900,000)	-
Debt issuance costs	(214,686)	(29,148)
Repurchase of stock	(294,671)	-
Net cash provided by (used in) financing activities	(7,613,158)	3,322,349
Net increase (decrease) in cash, cash equivalents and restricted cash	(4,617,185)	5,000,526
Cash, cash equivalents and restricted cash, beginning	9,425,649	4,425,124
Cash, cash equivalents and restricted cash, ending	$ 4,808,464	$ 9,425,649
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	$ 663,192	$ 1,468,810

See notes to consolidated financial statements.

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of operations: Griswold International, LLC and Subsidiary (Griswold or the Company) supplies administrative support to Company-owned units and franchisees, which provide client services to elderly and disabled persons receiving assistance with activities of daily living, instrumental activities of daily living, personal care, homemaking and companionship services from direct care providers primarily throughout the United States.

In 2016, the Company created Griswold International Care of NJ, LLC as a wholly-owned subsidiary of the Company.

A summary of the Company's significant accounting policies is as follows:

Change in accounting year-end: In 2021, the Company converted its year-end to a 52 week fiscal year ending the closest Sunday to December 31. Prior to 2021, the Company operated on a calendar based year. Throughout the consolidated financial statements, the period commencing January 1, 2021 and ending January 2, 2022 is referred to as 2021 and the year ending December 31, 2020 is referred to as 2020.

Fiscal year: In 2021, the Company's fiscal year ends on the Sunday closest to December 31. Accordingly, the financial statements include the 52 week period ended January 2, 2022 (2021). In 2020, the Company reported on a calendar year (2020).

Principles of consolidation: The consolidated financial statements include the accounts of Griswold International, LLC and its wholly-owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

Revenue recognition:

The Company derives its significant revenue from the following three principal sources:

Initial franchise fees: *A* portion of initial franchise fees are recognized on a straight-line basis over the term of each respective franchise agreement, which is consistent with the franchisee's right to use and benefit from the exclusivity of territory and operational support. For the portion of the initial franchise fees that are considered to be individually distinct from the ongoing services provided to the franchisee, the Company recognizes those initial franchise fees as each individual performance obligation is satisfied. The Company applies this to all customer contracts as of the date of the initial agreement.

Royalties: Franchisees are obligated to remit certain percentages of their revenue to Griswold for continuing royalties and marketing fees. Royalties are recognized by Griswold as the franchisee recognizes revenue.

Marketing fees are for future advertising, marketing, and promotional programs. The majority of the Company's franchise network contribute part of its gross revenues as defined in the franchise agreement to the Company to promote the products and services offered by the franchise network. The gross revenues and expenses associated with these payments are recognized in the statements of operations, having no effect on the net operation results.

Company-owned units: Revenue is recorded from Company-owned units based upon services performed for clients and operating expenses of caregiver wages.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

As discussed above, revenue from a portion of initial franchise fees is recognized at both a point in time and over time. Revenue from royalties and Company-owned units are recognized at a point in time. Total revenue recognized at a point in time and over time was as follows for 2021 and 2020:

	2021	2020
Revenue recognized over time	$ 244,179	$ 229,970
Revenue recognized at a point in time	22,696,761	21,480,075
	$ 22,940,940	$ 21,710,045

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate relates to allowances for doubtful accounts.

Cash, cash equivalents and restricted cash: Cash and other highly-liquid investments with maturities of three months or less are considered to be cash equivalents. Restricted cash consists of funds held in money market and escrow accounts.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets and consolidated statements of cash flows:

	2021	2020
Cash and cash equivalents	$ 4,707,969	$ 9,276,983
Restricted cash	100,495	148,666
	$ 4,808,464	$ 9,425,649

Accounts receivable: Accounts receivable consist principally of amounts invoiced for services, royalties and other miscellaneous fees. The Company records an allowance for uncollectible receivables based on review of all outstanding amounts on a monthly basis and evaluation of the creditworthiness of its franchisee. For trade receivables, the Company generally does not require collateral from its franchisees. An allowance for doubtful accounts is recorded through charges to earnings in the form of a charge to bad debt expense. The Company periodically reviews and writes off accounts receivable once it is determined that the account cannot be collected. Recoveries of accounts receivable previously written off are recorded into income when received in cash.

Property and equipment: Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is calculated using a straight-line method over the estimated useful lives of the related assets. Leasehold improvements made to leased property are amortized over the shorter of the estimated useful lives of the improvements or the lease term.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

The estimated useful lives of property and equipment are:

	Years
Computer equipment	3
Information technology system	5
Furniture and fixtures	7
Leasehold improvements	7

Advertising: The majority of the Company's franchise network contribute part of its gross revenues as defined in the franchise agreement to the Company to promote the products and services offered by the franchise network.

The Company expenses advertising costs as they are incurred. Advertising costs included in selling expenses were $21,195 and $58,674, respectively, for the years ended January 2, 2022 and December 31, 2020.

Impairment of long-lived assets: The Company assesses impairment of long-lived assets, which includes property and equipment and definite lived intangibles, whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of the assets and their eventual disposition is less than the carrying amount. Impairment, if any, is assessed using discounted cash flows. At January 2, 2022 and December 31, 2020, no impairment was noted.

Intangible assets: The Company's intangible assets that have a definite life are amortized on a straight-line basis over the following estimated useful lives:

	Years
Franchise agreement	30
Customer relationships	2
Other	3-5

Goodwill: The Company records as goodwill the excess of the fair value of the purchase price over the fair value of the identifiable net assets acquired. The Company adopted Accounting Standards Update (ASU) 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill (A Consensus of the Private Council),* which provides an accounting alternative for the subsequent measurement of goodwill. Goodwill is amortized on a straight-line basis over a period of 10 years. The Company evaluates goodwill for impairment at the entity level if a triggering event occurs and has elected to be treated as one reporting unit for testing purposes. For the years ended January 2, 2022 and December 31, 2020, the Company assessed the totality of events and circumstances, and concluded that it is not likely the goodwill is impaired. The Company recorded $1,767,732 in goodwill amortization for each of the years ended January 2, 2022 and December 31, 2020.

Trademark: Trademark represents an indefinite lived intangible related to the value of the Griswold trade name. The Company evaluates the trademark for impairment annually. The impairment test performed compares the fair value under the relief of royalty method to the carrying value. There was no impairment charge in 2021 or 2020.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Loan origination fees: Loan origination fees consist of costs related to the issuance of debt and are amortized over the life of the related loans, which are five years. Amortization expense of $167,531 and $94,210 was recorded for years ended January 2, 2022 and December 31, 2020, respectively. Loan origination fees are shown net of debt in both 2021 and 2020. Future amortization of these costs are as follows:

Years ending December 31:		
2022	$	42,937
2023		42,937
2024		42,937
2025		42,937
2026		10,735

Unit-based compensation: The Company follows the accounting standards requiring companies to measure all employee unit-based compensation awards using a fair value method and record such expense in its consolidated financial statements.

Income taxes: The Company is being treated as a partnership for federal income tax purposes. As such, no provision for income taxes is recorded at the Company level as all income and losses are allocated to the members. The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions.

The Company follows the Financial Accounting Standards Board (FASB) guidance for accounting for uncertainty in income taxes. Management has evaluated the tax positions of the Company and concluded that it has taken no uncertain tax positions that require disclosure in the consolidated financial statements. With few exceptions, the Company is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2018.

The Company may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the tax position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes and accounting in interim periods.

Concentrations of credit risk: The Company maintains cash balances at various financial institutions. At various times, the balances on deposit may exceed the amounts insured by the Federal Deposit Insurance Corporation.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge against earnings and a credit to a valuation account based on its assessment of the current status of individual accounts. Balances still outstanding after management has made a reasonable collection effort are written off through a charge to the valuation account and a credit to accounts receivable.

Reclassification: Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 1. Nature of Operations and Summary of Significant Accounting Policies (Continued)

Subsequent events: The Company has evaluated subsequent events through February 25, 2022, the date on which the consolidated financial statements were issued, and determined there were no events or matters requiring disclosure or recognition in the consolidated financial statements.

Note 2. Property and Equipment

Property and equipment at January 2, 2022 and December 31, 2020, consist of the following:

	2021	2020
Computer equipment	$ 221,229	$ 198,256
Information technology system	543,260	542,556
Leasehold improvements	216,828	225,944
Furniture and fixtures	231,574	226,574
Vehicle purchase	31,200	-
	1,244,091	1,193,330
Less accumulated depreciation and amortization	773,112	594,139
Total property and equipment, net	$ 470,979	$ 599,191

Depreciation and amortization of property and equipment was $252,100 and $197,100, respectively, for the years ended January 2, 2022 and December 31, 2020.

Note 3. Goodwill and Intangible Assets

Identifiable intangible assets at January 2, 2022 and December 31, 2020, consist of the following:

	2021			
	Weighted-Average Life (in Months)	Cost	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:				
Franchise agreements	360	$ 25,337,000	$ 7,685,557	$ 17,651,443
Customer relationships	24	1,118,000	1,118,000	-
Other	36-60	179,664	169,463	10,201
Total definite-lived intangible assets		26,634,664	8,973,020	17,661,644
Indefinite-lived intangible assets:				
Trademark	Indefinite	3,895,671	-	3,895,671
Total indefinite-lived intangible assets		3,895,671	-	3,895,671
Total intangible assets		$ 30,530,335	$ 8,973,020	$ 21,557,315

Note 3. Goodwill and Intangible Assets (Continued)

	2020			
	Weighted-Average Life (in Months)	Cost	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:				
Franchise agreements	360	$ 25,337,000	$ 6,840,990	$ 18,496,010
Customer relationships	24	1,118,000	1,118,000	-
Other	36-60	179,664	169,463	10,201
Total definite-lived intangible assets		26,634,664	8,128,453	18,506,211
Indefinite-lived intangible assets:				
Trademark	Indefinite	3,895,671	-	3,895,671
Total indefinite-lived intangible assets		3,895,671	-	3,895,671
Total intangible assets		$ 30,530,335	$ 8,128,453	$ 22,401,882

Amortization expense was $844,567 and $853,636, respectively, for the years ended January 2, 2022 and December 31, 2020.

The estimated aggregate amortization expense for each of the next five years is as follows:

Years ending December 31:	
2022	$ 892,379
2023	887,504
2024	887,504
2025	887,504
2026	855,301

The following summarizes the changes to goodwill during the years ended January 2, 2022 and December 31, 2020:

Goodwill, January 1, 2020	$ 7,469,001
Goodwill amortization	(1,767,732)
Goodwill, December 31, 2020	5,701,268
Goodwill amortization	(1,767,732)
Goodwill, January 2, 2022	$ 3,933,536

Estimated future aggregate amortization expense for goodwill for the next five years is as follows:

Years ending December 31:	
2022	$ 1,767,732
2023	1,767,732
2024	174,280
2025	157,900
2026	65,892

Note 4. Long-Term Debt

Senior debt: On May 4, 2017, the Company refinanced its senior debt with Sterling National Bank. The credit facility the Company entered into included a five-year term loan in the amount of $13,000,000 and a revolving line of credit, with borrowing capacity of $2,000,000. Principal payments on the term loan were due in quarterly installments, which began July 1, 2017, with the remaining unpaid balance due on May 4, 2022.

On March 17, 2020, the Company drew $1,900,000 of the revolving line of credit that is available. Advances on the line of credit bears interest at the same rate as the term loan. The balance outstanding on the revolving line of credit at January 2, 2022 and December 31, 2020 was $0 and $1,900,000.

On March 8, 2021, the Company entered into an amendment of its senior debt agreement with Sterling National Bank. The remaining outstanding original term loan balance was converted into a new five-year term loan in the amount of $9,400,000. Principal payments on the term loan are due in quarterly installments, which began on April 1, 2021, with the remaining unpaid balance due on March 8, 2026. The loan bears interest at the three-month London Interbank Offered Rate (LIBOR) plus 4.75%. If the three-month LIBOR is below 1%, then the interest rate will be 1% plus 4.75% (5.75% at January 2, 2022).

The lender also requires additional payment of excess cash flow as defined by the loan agreement. Additionally, certain prepayment penalties exist to the extent the loan is repaid prior to the maturity date. The senior debt facility is collateralized by substantially all of the Company's assets.

Under the terms of the Company's credit facility, the Company is required to maintain certain financial covenants, including both fixed charge ratios and leverage ratios.

Senior subordinated debt: On November 26, 2012, Financial Health Services, LLC (FHS), a related party, and the Company entered into a senior subordinated debt agreement in the amount of $8,400,000, which the Company was responsible for $7,818,661 with Stonehenge Opportunity Fund. The senior subordinated debt facility was subordinated to the senior debt facility. The senior subordinated note bears interest at an annual rate of 14% with 11% payable quarterly in cash and 3% payable in kind or cash at FHS and the Company's option. The senior subordinated note had a term of six years, and was due on November 26, 2018.

On May 4, 2017, the Company executed an amended and restated agreement with Stonehenge Opportunity Fund. The senior subordinated debt facility is subordinated to the senior debt facility. The senior subordinated note has a term of 5½ years and is due on November 3, 2022. In connection with the amended and restated agreement, the Company repaid $3,412,896 of the outstanding principal and interest balance in 2017, and repaid the remaining balance in 2021.

Note 4. Long-Term Debt (Continued)

Payroll Protection Program: On April 30, 2020, a subsidiary of the Company was approved for a $432,500 loan under the Payroll Protection Program (the PPP) of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). On May 7, 2020, Griswold International, LLC was approved for a $2,175,257 loan under the same program (collectively, PPP Loans). In accordance with the requirements of the CARES Act, the Company used the proceeds from the loans to cover qualified expenses, including payroll costs, rent and utility costs. Interest accrues on each of the loans at a rate of 1.00% per annum. Each of the borrowers may apply for forgiveness of the amounts due under its respective loan, in an amount equal to the sum of qualified expenses under the PPP, which include payroll costs, rent obligations, and covered utility payments incurred during the 24 weeks following disbursement under each of the loans. Subject to any forgiveness under the PPP, each of the loans matures two years following the date of issuance of the loan and includes a period for the first six months during which time required payments of interest and principal are deferred. Beginning on the seventh month following the date of the loans, each borrower is required to make 18 monthly payments of principal and interest. The loans may be prepaid at any time prior to maturity with no prepayment penalties. The loans provide for customary events of default, including, among others, those relating to failure to make payments, bankruptcy, breaches of representations and material adverse effects. The borrowers did not provide any collateral or guarantees for the loans.

On January 25, 2021, the Company was notified that the balance due under the PPP loan taken by the subsidiary had been fully forgiven in accordance with the terms and conditions of the PPP.

On June 1, 2021, the Company was notified that the balance due under the PPP loan taken by Griswold International, LLC had been fully forgiven in accordance with the terms and conditions of the PPP.

The SBA has up to six years after it forgave the loan to audit whether the Company truly qualified for the PPP loan and met the conditions necessary for forgiveness of the loan.

Following is a summary of long-term debt at January 2, 2022 and December 31, 2020:

	2021	2020
Term note	$ 9,165,000	$ 8,668,801
Senior subordinated debt	-	5,700,000
Revolving line of credit	-	1,900,000
PPP loans	-	2,607,757
	9,165,000	18,876,558
Less loan origination fees	182,483	135,328
	8,982,517	18,741,230
Less current maturities	411,250	3,222,269
Total long-term debt, net of current maturities	$ 8,571,267	$ 15,518,961

Note 4. Long-Term Debt (Continued)

Principal maturities of long-term debt is as follows:

Years ending December 31:	
2022	$ 411,250
2023	646,250
2024	881,250
2025	940,000
2026	6,286,250
	$ 9,165,000

Note 5. Unit-Based Compensation

The Company initially issued unit options to certain officers of the Company on December 31, 2012, under its 2012 Unit Options Plan (the Plan). The Plan authorized 30,392 units for issuance as unit options under the Plan.

Options granted under the Plan are at prices equal to the fair market value at the date of grant. Upon exercise of the unit options, the Company issues units from authorized but unissued units. At January 2, 2022, the Company had reserved 4,738 units of Class A-2 Units for possible future issuance under the Plan.

Unit-based compensation expense is recorded in the consolidated statements of operations. The Company recorded $123,580 and $84,006 of compensation expense related to awards during the years ended January 2, 2022 and December 31, 2020, respectively.

All outstanding service-based awards generally vest over five years after the date of grant and expires 10 years after the date of grant. Compensation expense is recognized over the requisite service period using the straight-line method. The requisite service period is the period over which the award vests.

Option activity of the Plan is summarized below:

	Units	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)
Outstanding at January 1, 2020	5,708	$ 100.00	1.11
Options issued	15,500	100.00	9.62
Options forfeited	-	100.00	-
Options repurchased	-	100.00	-
Outstanding at December 31, 2020	21,208	$ 100.00	4.73
Options exercisable at December 31, 2020	7,964		
Outstanding at January 1, 2021	21,208	$ 100.00	4.73
Options issued	6,150	100.00	9.16
Options forfeited	(3,800)	100.00	3.60
Options repurchased	-	100.00	-
Outstanding at January 2, 2022	23,558	$ 100.00	7.00
Options exercisable at January 2, 2022	9,038		

Note 6. Commitments and Contingencies

Litigation and contingencies: From time to time, the Company may be involved in various claims, lawsuits, disputes with third parties, actions involving allegations or breach of contract actions incidental to the normal operations of the business. The Company is currently not involved in any such litigation, which management believes could have a material adverse effect on its financial position or results of operations.

Commitments: The Company leases its various offices under noncancelable operating leases expiring in various years through 2028. Certain leases contain various renewal options.

The future minimum lease payments under noncancelable operating leases are as follows:

Years ending December 31:		
2022	$	506,271
2023		417,703
2024		364,228
2025		360,686
2026		367,932
Thereafter		438,638
Total lease commitments	$	2,455,458

Rent expense was $470,799 and $423,595, respectively, for the years ended January 2, 2022 and December 31, 2020.

Note 7. Defined Contribution Plan

The Company sponsors a defined contribution plan covering all eligible employees. The Company matches 100% of the participant's contribution up to 3% of compensation and 50% of matched employee contributions exceeding 3% to a maximum of 5% of eligible compensation. Contribution expense to the plan was $150,448 and $126,000, respectively, for the years ended January 2, 2022 and December 31, 2020.

Note 8. Related-Party Transactions

During 2018, the Company received a capital contribution of $2,200,000 from its parent company. The Company then lent $2,000,000 to FHS in order for FHS to pay down its liabilities. The remaining $200,000 of capital contribution was reimbursed to the Company for cost of the capital raise associated with the capital contribution. The balance of the loan receivable with FHS was $2,000,000 as of December 31, 2019. This amount was reported net of an allowance of $1,500,000 as of December 31, 2019. The balance of the loan receivable was written down to the realizable value of $350,000 as of December 31, 2020. During 2021, the Company collected an additional $332,204 of this balance, and the remaining balance of $17,796 as of January 2, 2022, is recorded as accounts receivable.

FHS provided certain billing related services to the Company's wholly-owned units as well as to the Company's franchisees and Company-owned offices during the year ended December 31, 2020. Collections of $0 and $211,020 were remitted to the Company by FHS during 2021 and 2020, respectively.

Note 8. Related-Party Transactions (Continued)

The Company has entered into a management agreement with an affiliated entity of a member of the Company to provide management and advisory services. The term of this agreement is five years with an annual fee based on a percentage of the prior year's earnings before interest, taxes, depreciation, and amortization (EBITDA). The Company recorded a management fee expense of $167,004 and $186,297 for the years ended January 2, 2022 and December 31, 2020, respectively.

Due from FHS also represents amounts due to Griswold paid on behalf of FHS related to shared expenses. Amounts do not bear interest and are due on demand.

Due from Griswold Investors LLC represents funds advanced to an entity related through common ownership to the Company. Amounts due are due on demand and do not bear interest.

Note 9. Recent Accounting Pronouncements

In January 2017, the FASB issued ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. The ASU simplifies the measurement of goodwill impairment by eliminating the requirement that an entity compute the implied fair value of goodwill based on the fair values of its assets and liabilities to measure impairment. Instead, goodwill impairment will be measured as the difference between the fair value of the reporting unit and the carrying value of the reporting unit. The ASU also clarifies the treatment of the income tax effect of tax deductible goodwill when measuring goodwill impairment loss. ASU 2017-04 will be effective for the Company beginning on January 1, 2022. ASU 2017-04 must be applied prospectively with early adoption permitted. The Company is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases*. ASU 2016-02 (as amended) was issued in three parts: Section A, *Leases:* Amendments to the FASB Accounting Standards Codification, Section B, Conforming Amendments Related to Leases: Amendments to the FASB Accounting Standards Codification, and Section C, Background Information and Basis for Conclusions. Under the new standard, the lessee will be required to recognize assets and liabilities for leases with lease terms of more than 12 months. The updated standard will be effective for annual reporting periods beginning after December 15, 2021. The Company is currently evaluating the effect that the updated standard will have on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The ASU requires financial assets measured at amortized cost (including loans, trade receivables and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The ASU requires that credit losses on available-for-sale debt securities be presented as an allowance rather than as a direct write-down. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the statement of income as the amounts expected to be collected change. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. The Company is currently evaluating the impact of adopting this new guidance on its consolidated financial statements.

Note 9. Recent Accounting Pronouncements (Continued)

In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Facilitation of the Effect of Reference Rate Reform on Financial Reporting.* This ASU provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing effect of) reference rate reform on financial reporting. The provisions of the ASU are effective as of March 12, 2020 through December 31, 2022. Management is evaluating the impact of this standard on the Company's consolidated financial statements.

Note 10. COVID-19

During the year ended December 31, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a pandemic. COVID-19 could negatively impact the Company's operations. The extent to which COVID-19 impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and actions taken to contain it or its impact, among other factors.

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

Consolidated Balance Sheet (Unaudited)

May 31, 2023	2023
Assets	
Current Assets	
Cash, cash equivalents and restricted cash	**$ 2,751,000**
Accounts receivable	**566,000**
Prepaid expenses and other current assets	**753,000**
Total current assets	**4,070,000**
Property and equipment, net	**392,000**
Capital Leases	**1,893,000**
Other Assets	
Intangible assets, net of accumulated amortization	**20,361,000**
Goodwill, net of accumulated amortization	**1,551,000**
Security deposits	**44,000**
	21,956,000
Total assets	**$ 28,311,000**
Liabilities and Members'Equity	
Current Liabilities:	
Current maturities of long-term debt	**$ 705,000**
Accounts payable	**295,000**
Accrued expenses	**1,582,000**
Total current liabilities	**2,582,000**
Deferred revenue, net of current portion	**701,000**
Long-term debt, net of current portion and loan origination fees	**7,246,000**
Long Term Lease Liability	**1,558,000**
Total liabilities	**12,087,000**
Commitments and Contingencies	
Members Equity	**16,224,000**
Total liabilities and members'equity	**$ 28,311,000**

Consolidated Statements of Operations YTD (Unaudited)

May 31, 2023	2023
Revenues:	
Company-owned units	**$ 4,957,000**
Royalties and marketing fee	**2,982,000**
Initial franchise fees	**151,000**
Total revenues	**8,090,000**
Expenses:	
Operating Expenses	**6,108,000**
Selling, general and administrative expenses	**1,087,000**
Depreciation and amortization	**1,168,000**
Management fees	**69,000**
Total expenses	**8,432,000**
Operating income	**(342,000)**
Interest expense, net	**328,000**
Net Income/(loss)	**($ 670,000)**

EXHIBIT G

SAMPLE TERMINATION OF FRANCHISE AGREEMENT AND RELEASE UPON TRANSFER TO AN AUTHORIZED FRANCHISEE

This Termination of Franchise Agreement and Release (the "Agreement") is made this _______ day of__________________, 20_, by and between Griswold International, LLC, a Delaware limited liability company with its principal business address at 510 East Township Line Road, Suite 210, Blue Bell, PA 19422 ("Franchisor") and__________________________________, a _______________________ _____________with an address at ____ _________________________________("Transferor").

BACKGROUND

A. On______________, Transferor entered into a franchise agreement (the "Franchise Agreement") with Franchisor for the right to operate a Griswold Home Care franchised business located at ____(the "Franchise").

B. Transferor has satisfied all conditions of transfer as specified in the Franchise Agreement and now desires to sell the Franchise to______________________________________, who has been approved by Franchisor as an authorized transferee.

C. In order to complete Transferor's sale of the Franchise, Transferor now desires to terminate the Franchise Agreement and all rights and obligations between the parties relating to the Franchise Agreement, and Franchisor desires to accept such termination, pursuant to the terms of this Agreement.

AGREEMENT

In consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Subject to the terms and conditions contained in this Agreement and the Franchise Agreement, all rights and obligations between Franchisor and Transferor arising from or related to the Franchise Agreement are terminated, effective as of the date of this Agreement.

2. Notwithstanding anything in this Agreement to the contrary, the parties agree that Transferor will remain bound by all of the post-term covenants and obligations contained in the Franchise Agreement including, without limitation, those relating to confidential information and non-competition.

3. Transferor represents and warrants that all of Transferor's monetary obligations to Franchisor, its affiliates, and its designated suppliers, have been satisfied in full as of the date of this Agreement.

4. Transferor, for itself and all persons and entities claiming by, through or under it, release, acquit and forever discharge Franchisor and its present and former officers, employees, shareholders, directors, agents, servants, representatives, affiliates, successors and assigns (the "Franchisor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorneys' fees, actions or causes of action whatsoever, whether known or unknown, which Transferor, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, had, have

or claim to have against the Franchisor Releasees arising out of or related to the offer, sale and operation of the Franchise, and the parties' rights or obligations under the Franchise Agreement.

5. This Agreement constitutes the entire integrated agreement of the parties with respect to the subject matter contained in this Agreement, and may not be subject to any modification without the written consent of the parties.

6. This Agreement will be construed under the laws of the Commonwealth of Pennsylvania, which laws will control in the event of any conflict of law.

7. This Agreement will be for the benefit of and binding upon the parties and their respective representatives, successors and assigns.

8. Each party acknowledges that the terms of this Agreement have been completely read and are fully understood and voluntarily accepted by each party, after having a reasonable opportunity to retain and confer with counsel. This Agreement is entered into after a full investigation by the parties, and the parties are not relying upon any statements or representations not embodied in this Agreement.

9. In the event that Franchisor retains the services of legal counsel to enforce the terms of this Agreement, it will be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in enforcing the terms of this Agreement.

10. Transferor agrees that it has and had a relationship with Franchisor in Pennsylvania and that, with the exception of Franchisor's right to seek injunctive relief in any appropriate jurisdiction, any action by or against Franchisor arising out of or relating to this Agreement will be commenced and concluded in Pennsylvania pursuant to the mediation, venue, and jurisdiction provisions of the Franchise Agreement.

11. This Agreement may be executed in multiple counterparts by the various parties and the failure to have the signatures of all parties on a single Agreement will not affect the validity or enforceability of any part of this Agreement against any party who executes any counterpart of the Agreement. Executed facsimile copies of this Agreement will be deemed to be effective as original signatures.

[SIGNATURES ON FOLLOWING PAGE]

I HAVE READ THE ABOVE AGREEMENT AND UNDERSTAND ITS TERMS. I WOULD NOT SIGN THIS AGREEMENT IF I DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.

TRANSFEROR:

Date:________________________

By:____

Name:____

Title:____

FRANCHISOR:

GRISWOLD INTERNATIONAL, LLC

Date: ________________________

By:____

Name:____

Title:____

EXHIBIT H

FRANCHISEE DISCLOSURE QUESTIONNAIRE

Questionnaire

NOTICE FOR PROSPECTIVE FRANCHISEES WHO RESIDE IN, OR WHO INTEND TO OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES : CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI (EACH A REGULATED STATE):

FOR PROSPECTIVE FRANCHISEES THAT RESIDE IN OR ARE SEEKING TO OPERATE THE FRANCHISED BUSINESS IN ANY REGULATED STATE, SUCH PROSPECTIVE FRANCHISEE SHOULD NOT COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE.

You are preparing to enter into a Franchise Agreement with Griswold International, LLC ("us", "we", "Franchisor") to operate a *GRISWOLD HOME CARE* Franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and which may be misleading, different from or contrary to information in the Franchise Disclosure Document ("FDD"), untrue or inaccurate. Please review each of the following questions carefully and provide honest and complete responses to each question by placing your initials________in the proper box; for any response requiring additional information, feel free to turn over or add more sheets so that you have full opportunity to explain your response.

1. The date on which you received a Franchise Disclosure Document ("FDD") was_____________, 20____. Franchisee's Initials_______.

2. Have you personally reviewed the FDD we provided to you?
☐Yes, I reviewed it. ☐No, I did not.

3. The date when you received a fully completed copy (other than signatures) of the Franchise Agreement you later signed was___________________, 20__ . Franchisee's Initials_______.

4. Have you personally reviewed the Franchise Agreement and each exhibit attached to it (e.g.: logo, Territory Description and Map)?

☐Yes, I reviewed it. ☐No, I did not.

STOP	IF YOU ANSWERED "NO" TO EITHER OF THESE QUESTIONS, **STOP** HERE.

5. Do you understand all of the information contained in the FDD?
☐Yes, I understand. ☐No, I do not understand the following:___________________________
____
____.

6. Do you understand all of the information contained in the Franchise Agreement and each exhibit attached to it?
☐Yes, I understand. ☐No, I do not understand the following:___________________________
____
.

____

7. Have you discussed the benefits and risks of operating a Franchise with your attorney, accountant or other professional advisor or business coach and do you understand those risks?

   ▢Yes. ▢No. Do you understand that the success or failure of your Franchise will depend upon your own personal skills and abilities, competition from other businesses, interest rates, inflation, recession, labor and supply costs, purchase decisions, lease terms and other economic and business choices and factors at least some of which are in your exclusive control?

   ▢Yes, I understand. ▢No, I do not understand the following:

8. Do you understand that federal and state legal requirements (including, without limitation, workers' compensation, unemployment insurance, and state tax requirements) are subject to change over time; may significantly affect how home care employees and Caregivers are categorized for federal and/or state employment law purposes; that such changes may significantly affect your costs and expenses, the home care business, and your Franchise; that the employment model GHC requires in your state is our best estimate as to such requirements; that such requirements may be subject to uncertainty and different interpretations; that such changes are unpredictable; and that compliance with such laws is your responsibility.

   ▢Yes, I understand. ▢No, I do not understand the following:

9. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, make any statement or promise concerning the revenues, profits or operating costs of a Franchise that does not comport with the information contained in the FDD?

   ▢No. ▢ Yes, identify the individual(s) and statement or promise here:______________________
   ____
   ____.

10. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, made any statement or promise concerning the Franchise that is contrary to, or different from, the information contained in the FDD?

   ▢No. ▢ Yes, identify the individual(s) and statement or promise here: __________________
____
____.

11. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, make any statement or promise regarding the amount of money you may earn in operating a Franchise other than the information contained in the FDD?

   ▢No. ▢ Yes, identify the individual(s) and statement or promise here:__________________________
   ____
   ____.

12. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, make any statement or promise concerning the total amount of revenue a Franchise will generate contrary to or different from the information contained in the FDD?

   ▢No. ▢ Yes, identify the individual(s) and statement or promise here:______________________
   ____
   ____.

13. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, make any statement or promise regarding the costs you may incur in operating a Franchise that is contrary to, or different from, the information contained in the FDD?

☐No. ☐ Yes, identify the individual(s) and statement or promise here:______________________
____
____.

14. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, make any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchise?

☐No. ☐Yes, identify the individual(s) and statement, promise or other agreement here:________
____
____.

15. Has any employee or other person speaking on our behalf, including any broker or other person who has referred you to us, made any statement, promise, or agreement other than the Franchise Agreement concerning the advertising, marketing, training, support service or assistance that we will furnish you that is contrary to, or different from, the information contained in the FDD?

☐No. ☐Yes, identify the individual(s) and statement, promise or other agreement here:________
____
____.

16. Do you understand that in all dealings and communications with you, our officers, directors, employees and agents act *only* in a representative capacity and not in any individual or personal capacity, and that such dealings are solely between you and the Franchisor?

☐Yes, I understand that. ☐No, I do not understand that.

Your Responses are <u>not</u> intended to act, nor shall they act, as a release, estoppels or waiver of any liability incurred under applicable state Franchise Registration and/or Disclosure Law. However, your answers are important to use and we <u>will</u> rely upon them in granting you a franchise.

<u>BY SIGNING HERE, YOU ARE ANSWERING THAT YOU HAVE RESPONDED TRUTHFULLY TO ALL QUESTIONS</u>

____

Franchise candidate signature here,

Date :___________________________________

EXHIBIT I

ASSIGNMENT AND ASSUMPTION AGREEMENT

Assignment and Assumption Agreement

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is made and entered into this ______ day of____________, 20__, by and between Griswold International, LLC, a Delaware limited liability partnership ("GHC"), **[insert name of franchisees]** (collectively "Assignor") and **[insert name of corporation or limited liability company]**, an entity owned and controlled by Assignor with an address at _______________________________("Assignee").

BACKGROUND

A. GHC and Assignor entered into a certain Franchise Agreement dated **[insert date of Franchise Agreement]** attached as Exhibit "A" to this Assignment (the "Franchise Agreement") whereby Assignor was granted the right and undertook the obligation to operate a *GRISWOLD SPECIAL CARE*® franchised business at the following location **[insert location]** (the "Franchise"), within the following Territory:________________________________;

B. Assignor has formed Assignee for the convenience and purpose of owning and operating the Franchise;

C. Assignor desires to assign his or her rights and obligations under the Franchise Agreement to Assignee pursuant to and in accordance with the provisions of the Franchise Agreement; and

D. GHC is willing to consent to the assignment of the Franchise Agreement to Assignee, subject to the terms and conditions of this Assignment, including without limitation, Assignor's agreement to guarantee the performance by Assignee of its obligations under the Franchise Agreement and to continue to be bound by all of the provisions of the Franchise Agreement.

AGREEMENT

In consideration of the mutual covenants contained in this Assignment, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. **ASSIGNMENT**. Assignor hereby assigns and transfers over to Assignee all of Assignor's rights, title and interest in and to the Franchise Agreement, effective as of the date of this Assignment.

2. **ASSUMPTION**. Assignee hereby assumes all of Assignor's obligations, assignments, commitments, duties and liabilities under the Franchise Agreement, and agrees to be bound by, observe, faithfully perform all of the obligations, assignments, commitments, and duties of Assignor and its guarantors under the Franchise Agreement with the same force and effect as if the Franchise Agreement were originally written with Assignee as franchisee.

3. **CONTINUING OBLIGATION**. Assignor agrees that Assignor shall continue to be bound by all of the terms and conditions of the Franchise Agreement, including, without limitation, all non-competition, confidentiality, and indemnification obligations, and that nothing contained in this Assignment will be deemed to relieve Assignor of any of Assignor's obligations contained in the Franchise Agreement. Assignor further agrees to, and by this instrument does hereby guarantee the performance by Assignee of all of its obligations, commitments, duties and liabilities under the Franchise Agreement. Without limiting the foregoing, Assignor irrevocably and unconditionally guarantees to GHC (i) that Assignee will pay all amounts to be paid and otherwise comply with all provisions of the Franchise Agreement and any other agreement between Assignor and GHC or its affiliates concerning the operation of the Franchise, and (ii) that if Assignee defaults in making any such payments or complying with any such provisions, Assignor shall pay forthwith upon demand all amounts due and owing GHC and all damages that may arise as a result of any such non-compliance.

4. **RELEASE**. Assignor, for itself and all persons and entities claiming by, through or under it, releases acquits, and forever discharges Franchisor and its present and former officers, employees, shareholders, directors, agents, servants, representatives, affiliates, successors and assigns (the "Franchisor Releasees") from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, costs, attorney's fees, actions or causes of action whatsoever, whether known or unknown, which Assignor, by itself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, have, had or claim to have against the Franchisor Releasees arising out of or related to the offer, sale and operation of the Franchise, and the parties' rights or obligations under the Franchise Agreement.

5. **ENFORCEMENT**. In the enforcement of any of its rights against Assignor, GHC may proceed as if Assignor was the primary obligor under the Franchise Agreement. Assignor waives any right to require GHC to first proceed against Assignee or to proceed against or exhaust any security (if any) held by GHC or to pursue any other remedy available to it before proceeding against Assignor. No dealing between GHC and Assignee shall exonerate, release, discharge or in any way reduce the obligations of Assignor hereunder, in whole or in part, and in particular and without limiting the generality of the foregoing, GHC may modify or amend the Franchise Agreement, grant any indulgence, release, postponement or extension of time, waive any term or condition of the Franchise Agreement, or any obligation of Assignee, take or release any securities or other guarantees for the performance by Assignee of any of its obligations, and otherwise deal with Assignee as GHC may see fit without affecting, lessening or limiting in any way the liability of Assignor. Notwithstanding any assignment for the general benefit of creditors or any bankruptcy or other act of insolvency by Assignee and notwithstanding any rejection, disaffirmance or disclaimer of this Assignment or the Franchise Agreement, Assignor shall continue to be fully liable.

6. **DISPUTE RESOLUTION**. This Assignment shall be governed by the dispute resolution provisions described in Section 19 of the Franchise Agreement. Assignor and Assignee acknowledge and agree that for purposes of this Assignment, the use of the term "Franchisee" shall refer to Assignor and Assignee.

7. **COVENANTS**. Assignor and Assignee as participants in the Griswold Special Care® system will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques that GHC has developed. Therefore, to protect such information, Assignor and Assignee, and Assignor or Assignee's principals shall be bound by and comply with the confidentiality obligations, non-competition and non-solicitation obligations, and warranties described in Sections 10, 17, and 20.2 of the Franchise Agreement. Assignor and Assignee acknowledge and agree that for purposes of this Assignment, the use of the term "Franchisee" shall refer to Assignor and Assignee.

8. **INTENT AND ENFORCEMENT**. It is the parties' intent that the provisions described in the above Section 7 shall be judicially enforced to the fullest extent permissible under applicable law. Accordingly, the parties agree that any reduction in scope or modification of any part of the noncompetition provisions contained therein shall not render any other part unenforceable. In the event of the actual or threatened breach of Section 7 by Assignor or Assignee, or any of Assignor or Assignee's principals, GHC shall be entitled to an injunction restraining such person from any such actual or threatened breach. Assignor or Assignee agree that in the event of the actual or threatened breach of Section 7, GHC's harm will be irreparable and that GHC has no adequate remedy at law to prevent such harm. Assignor or Assignee acknowledge and agree on Assignor or Assignee's own behalf and on behalf of the persons who are liable under Section 7 that each has previously worked or been gainfully employed in other careers and that the provisions in Section 7 in no way prevent any such person from earning a living. Assignor or Assignee further acknowledge and agree that the time limitation of Section 7 shall be tolled during any default under Section 7.

9. **BINDING EFFECT**. This Assignment shall be binding and inure to the benefit of the parties and their respective heirs, successors and assigns.

10. **ENTIRE AGREEMENT**. The Franchise Agreement and this Assignment shall constitute the entire integrated assignment between the parties with respect to the subject matter contained herein and shall not be subject to change, modification, amendment or addition without the express written consent of all the parties.

11. **ATTORNEYS' FEES**. In the event that it becomes necessary for GHC to retain the services of legal counsel to enforce the terms of this Assignment, GHC shall be entitled to recover all costs and expenses, including reasonable attorneys', expert and investigative fees, incurred in enforcing the terms of this Assignment.

12. **REVIEW**. Each party declares that the terms of this Assignment have been completely read and are fully understood and voluntarily accepted by each party, after having a reasonable opportunity to retain, and confer with counsel. This Assignment is entered into after a full investigation by the parties, and the parties are not relying upon any statements or representations not contained in this Assignment.

13. **BENEFICIARIES**. GHC's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of this Assignment, each having authority to

specifically enforce any rights granted to GHC herein, and the right to mediate and arbitrate claims asserted against such person(s) by Assignor or Assignee you.

14. **AUTHORITY**. The persons executing this Assignment on behalf of Assignee acknowledge their authority to do so.

15. **JOINT AND SEVERAL LIABILITY**. The obligations of Assignor and Assignee under this Assignment are joint and several.

I HAVE READ THE ABOVE AGREEMENT AND THE FRANCHISE AGREEMENT AND UNDERSTAND ITS TERMS.

I WOULD NOT SIGN THIS AGREEMENT IF I DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the undersigned have affixed their signatures hereto as of the day and date first above written.

GRISWOLD INTERNATIONAL, LLC

By:_________________________________

ASSIGNOR:

____

____

____

ASSIGNEE:

[NAME OF CORPORATION OR LLC]

By: _________________________________

EXHIBIT J
STATE EFFECTIVE DATES

State Effective Dates

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

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

State	Effective Date
California	Pending Registration
Hawaii	Pending Registration
Illinois	Exempt
Indiana	Effective
Maryland	Pending Registration
Michigan	June 4, 2022
Minnesota	Pending Registration
New York	Exempt
North Dakota	Pending Registration
Rhode Island	Pending Registration
Virginia	Pending Registration
Washington	Pending Registration
Wisconsin	Pending Registration

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 – YOUR COPY

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 Griswold International, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. 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 Griswold International, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator identified in Exhibit A of this Franchise Disclosure Document.

Griswold International, LLC has authorized the agents listed in Exhibit A to receive service of process on its behalf.

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

☐ Steven Turner and Brian Hill, 510 East Township Line Road, Suite 210, Blue Bell, PA 19422, (267) 448-5051.

☐ ____

☐ ____

☐ Broker, if any:______________________________. ☐ None.

Issuance Date: April 24, 2023, as amended July 27, 2023.

I have received a Franchise Disclosure Document dated April 24, 2023, as amended July 27, 2023, that included the following exhibits:

A.	List of State Administrators and Agents for Service of Process	E.	List of Current and Former Franchisees
B-1.	Franchise Agreement	F.	Financial Statements
B-2.	Addendum For Existing Franchisees That Signed On or After January 1, 2018	G.	Sample General Release for Assignment of Agreement
B-3	Addendum For Existing Franchisees That Signed Before January 1, 2018	H.	Franchisee Disclosure Questionnaire
B-4.	Collateral Assignment of Lease/Consent and Agreement of Lessor	I.	Assignment and Assumption Agreement
B-5.	Conditional Assignment of Franchisee's Telephone Number	J.	State Effective Dates
C.	Table of Contents of Operations Manual	K	Receipt
D.	State Disclosure Addenda and Agreement Amendments		

____
Your name printed here

____ ____
Date Your signature here

RECEIPT – OUR COPY

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If Griswold International, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator identified in Exhibit A of this Franchise Disclosure Document.

Griswold International, LLC has authorized the agents listed in Exhibit A to receive service of process on its behalf.

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

☐ Steven Turner and Brian Hill, 510 East Township Line Road, Suite 210, Blue Bell, PA 19422, (267) 448-5051.

☐ ____

☐ ____

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Your name printed here

____ ____
Date Your signature here