

FRANCHISE DISCLOSURE DOCUMENT



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

2230 Point Blvd Ste 100

Elgin, IL 60123

(847) 829-8708

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www.ihps.com

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

The total initial investment necessary to begin operation of an In Home Personal Services business ranges from **\$42,750 – 101,500**. This amount includes payments that range from \$7,500 to \$32,500 that must be paid to us or an affiliate of ours.

This Disclosure Document summarizes certain provisions of our franchise agreement and other information in plain English. Undefined capitalized terms used in this disclosure document have the meaning assigned to them in the Franchise Agreement attached as Exhibit B. 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 or grant. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive this Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchise development office at 2230 Point Blvd Ste 100, Elgin, Illinois 60123, (847) 829-8708.

The terms of your franchise agreement will govern our franchise relationship. Do not rely on this Disclosure Document alone to understand your franchise agreement. Read the franchise agreement and all your other contracts carefully. Show the franchise agreement and all your other contracts and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

ISSUANCE DATE: April 6, 2023

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

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

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

What You Need To Know About Franchising *Generally*

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

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

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

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, 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. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Illinois. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Illinois than in your own state.
2. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
3. **Mandatory Minimum Payments.** You must make mandatory minimum royalty payments regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.
4. **Sales Performance Requirement.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise and loss of your investment.
5. **Spousal liability:** Your spouse will be liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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.

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

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
2. BUSINESS EXPERIENCE	4
3. LITIGATION.....	5
4. BANKRUPTCY.....	5
5. INITIAL FEES.....	6
6. OTHER FEES.....	7
7. ESTIMATED INITIAL INVESTMENT.....	10
8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	14
9. FRANCHISEE’S OBLIGATIONS.....	16
10. FINANCING.....	18
11. FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	18
12. TERRITORY	28
13. TRADEMARKS	30
14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	32
15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	33
16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	34
17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.	34
18. PUBLIC FIGURES.....	38
19. FINANCIAL PERFORMANCE REPRESENTATIONS	38
20. OUTLETS AND FRANCHISEE INFORMATION.....	40
21. FINANCIAL STATEMENTS	42
22. CONTRACTS.....	42
23. RECEIPTS	43

EXHIBITS

Exhibit A	List of State Administrators and Agents for Service of Process
Exhibit B	Franchise Agreement and Exhibits
Exhibit C	List of Franchisees
Exhibit D	List of Franchisees Who Have Left System
Exhibit E	Financial Statements
Exhibit F	Form of General Release
Exhibit G	Table of Contents of Operations Manual
Exhibit H	Franchisee Disclosure Questionnaire
Exhibit I	State Specific Addenda

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

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

The Franchisor

We are a limited liability company organized on March 30, 2009 in Illinois. Our principal business address is 2230 Point Blvd Ste 100, Elgin, Illinois 60123. We do business under our company name and the trade name “In Home Personal Services.” Our business is limited to offering franchises, and operating ourselves or through affiliated companies, the In Home Personal Services business that is described in this Disclosure Document. Other than the franchise described in this Disclosure Document, we do not now and have never offered franchises in this or any other line of business. We are not engaged in any other line of business. We have offered franchises for In Home Personal Services businesses since October 2009. Our agents for service of process are listed in Exhibit A.

Our Parents, Predecessors and Affiliates

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

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

The In Home Personal Services Franchise

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

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

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

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

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

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

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

Market and Competition

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

Industry Regulations

An increasing number of states are enacting laws, regulations or executive orders that apply to businesses that provide daily living assistance services. You may be required to obtain licenses, registrations and/or certifications in order to provide the services as part of the operation of your In Home Personal Services business. In some instances there may be state moratoria placed on these licenses, registrations and/or certifications. In addition, you may be required to comply with state data privacy laws. Many states have administrative agencies such as the Department of Public Health, Department of Human Services or similar agencies that can provide you with guidance in this area. There are also federal laws and regulations with which you must comply with including the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), privacy laws, and laws that regulate recipients of Medicare and Medicaid funds, even if your services are not reimbursable. It is your ongoing responsibility to check the laws and regulations that may be applicable to your Business and ensure that you and your employees comply with all such laws and regulations. Moreover, you must comply with all laws that apply generally to all businesses including (without limitation) minimum age and wage laws, Americans with Disabilities Act, immigration laws, and other laws and regulations that apply to businesses generally. Your state may have identical or similar laws. You should investigate these and other laws. You should consult with your own professional advisors, such as an attorney or accountant, regarding applicable laws and regulations, both prior to your purchase of the Business and during the life of the Business.

ITEM 2. BUSINESS EXPERIENCE

President: Michael Collura

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

Chief Operations Officer: Iris Santiago

Ms. Santiago is our Chief Operations Officer and has practiced occupational therapy prior to her 13 years of experience with us and IHPS in various administrative, operational and leadership positions. She currently holds the Chief Operations Officer positions with both us and IHPS. She was promoted to Chief Operations Officer of IHPS in 2014 and promoted to our Chief Operations Officer in 2018.

Director of Business Development: Brianna Turner

Ms. Turner has served in various positions with us and IHPS for the past 13 years and has over 15 years of experience in the healthcare industry. She currently is the Director of Business Development of us, as well as the Agency Administrator of IHPS. She began as a caregiver in 2007, was promoted to Director of Services of IHPS in 2010 and then Regional Director from 2010 to 2015. In 2015, she transitioned into a business development role as the Director of Business Development of us to develop and implement strategies to increase brand awareness and referrals. In 2018, she became Agency Administrator of IHPS to oversee the IHPS leadership team, staffing, and billing departments.

Vice President of Franchise Operations: Lovely Ranoa-Chia

Ms. Ranoa-Chia began her career as a nurse in the senior care industry. She joined In Home Personal Services after her years long work developing the Matthews school and its training courses. Lovely was a caregiver in the profession at the age of 16 and became a Certified Nursing Assistant in 2008. Lovely is a College of Nursing graduate as a Licensed Practical Nurse in 2010. Her role today is to provide leadership and support to the entire franchise support team across the brand.

National Brand Manager: Ylandus Roundy

Ms. Roundy has her BA from The University of Iowa and holds a Master of Arts in Training and Development from Roosevelt University. Ylandus works closely building relationships with Regional and National Brands for our Franchisees, works with the Creative Team to ensure systemwide visibility.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Initial Franchise Fee

If you acquire a franchise for an In Home Personal Services business, you must pay us an Initial Franchise Fee in a lump sum when you sign the Franchise Agreement. Our standard Initial Franchise Fee is \$32,500.00. We provide a discounted Initial Franchise Fee under certain circumstances.

If you are an employee of ours or our affiliates; or a health care employee such as a registered nurse, medical doctor, nurse practitioner, physician's assistant, licensed practical nurse, occupational therapist, physical therapist, speech therapist or social worker; or a first responder such as a police officer, fire fighter, paramedic or emergency medical technician; or an honorably discharged veteran; or an educator; you or your spouse may be eligible for an Initial Franchise fee of \$22,500.00 ("Status Discount"). In addition, as an employee of ours or our affiliates, you or your spouse may be eligible for an installment benefit, namely, the Initial Franchise Fee will be paid in monthly installment over a ten-year period starting from the one-year anniversary of the opening of your Business ("Installment Benefit"). A current franchisee who signs a Franchise Agreement for a second or subsequent franchise may be eligible for a 25% reduction of the applicable Initial Franchise Fee (the "Multi-Unit Discount"). A Conversion Franchisee may be eligible for an Initial Franchise Fee of \$7,500.00 (the "Conversion Discount"). The Status Discount and Multi-Unit Discount may be applied in combination. However in no event the discounted Initial Franchise Fee shall be lower than \$7,500.00.

Partial Refund Upon Inability to Acquire Licenses

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

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

ITEM 6. OTHER FEES

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

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

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Renewal Franchise Fee ³	\$5,000	Upon notice of your election to obtain a renewal franchise	
Transfer Fee ⁴	\$5,000	Upon submission of request for consent to transfer	
Alternate Supplier Testing/ Inspection ⁵	Currently there is no charge	Immediately upon billing	
Interest on Overdue Payments	18% per annum or the rate allowed by law, whichever is less	As Incurred	
Delinquent Report Fee ⁶	\$25/ per day	As Incurred	
Insurance ⁷	The Cost of Premium	As Incurred	We may acquire insurance on your behalf and seek reimbursement from you if you fail to do so
Operation of the Business in the Event of Death or Disability	A then-current per diem amount for each of our representatives (currently \$250/ per day plus expenses	As Incurred	If we elect to operate the Business upon your death or disability we will be entitled to reasonable compensation
Audit Expenses ⁸	Cost of audit and interest on any underpayment	Upon Demand if audit reveals an understatement of 2% or more	
Indemnification ⁹	All associated costs	As Incurred	You must reimburse us for any liability or cost of defense we incur resulting from the operation of your Franchised Business
Attorneys' Fees and Costs ¹⁰	Varies	Immediately upon billing if we are the prevailing party	

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Microsoft Office 365 Enterprise® License	Reimbursement of subscription fees charged by Microsoft at \$4, \$10, or \$23 per month depending on number of Office features you select.	Annually; As invoiced	

Notes

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

Each month during the term of the Agreement, you must pay to us a Royalty Fee in an amount equal to the greater of (i) 4% of Gross Revenue or (ii) the following Minimum Monthly Royalty:

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

If you sign a Conversion Addendum, we will reduce the Royalty Fee payable during your first 12 months of operation to 2%. If you are an employee of us, you will have no royalty for the first 12 months of operation.

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

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

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

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

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

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

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

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

Note 10: The prevailing party of any arbitration or other proceeding shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee ¹	\$7,500-\$32,500	Lump sum	Upon signing Franchise Agreement	Us
First Month Rent for Office ²	\$0- \$2,000	As arranged	Upon signing Franchise Agreement	Landlord
Deposits ³	\$0 - \$1,000	As arranged	As per terms of lease	Landlord and utility providers
Leasehold Improvements ⁴	\$0 – \$2,000	As arranged	As arranged	Landlord and contractors

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Office Equipment and Supplies ⁵	\$250-\$1,000	Lump sum	Before beginning operations	Suppliers
Furniture and Fixtures ⁶	\$0 – \$1,000	Lump sum	Before beginning operations	Suppliers
Pre-Opening Marketing ⁷	\$3,000 – \$8,000	As arranged	30 Days before beginning operations	Us, approved suppliers
Initial Inventory-Supplies & Marketing Materials ⁸	\$1,000 - \$3,000	Lump sum	Before beginning operations	Approved suppliers
Signage ⁹	\$0– \$2,000	Lump sum	Before beginning operations	Approved suppliers
Vehicle ¹⁰	\$0 – \$3,000	As arranged	Before beginning operations	Suppliers
Business Licenses and Permits ¹¹	\$1,500 – \$3,000	Lump sum	Before beginning operations	Government agencies and other licensing authorities
Membership Dues ¹²	\$0 – \$1,000	Lump Sum	As arranged	Applicable organization
Insurance ¹³	\$2,000 – \$4,000	As arranged	Before beginning operations	Insurance provider
Initial Training Program expenses ¹⁴	\$1,500 – 2,000	Lump sum	Before beginning operations	Third parties
Professional Fees ¹⁵	\$2,000 – 5,000	Lump sum	As incurred	Third parties
Additional Funds ¹⁶	\$24,000 – \$31,000	As arranged	First three months of operation	Landlord, utilities and various suppliers and third parties
TOTAL ESTIMATED INITIAL INVESTMENT¹⁷	\$42,750 – 101,500			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Business. Our estimates are based on our experience, the experience of our affiliates and/or franchisees, and our current requirements for In Home Personal Services Businesses. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Business may be greater or less than the estimates given depending upon the location of your Business, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid (except the Initial Franchise Fee may be partially refundable if you are unable to obtain required licenses). All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

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

Note 1: Initial Franchise Fee. The standard Initial Franchise Fee is \$32,500. If you are an existing franchisee, a conversion franchisee, an employee or ours or our affiliates, a health care professional, an honorably discharged veteran, your Initial Franchise Fee may be discounted. (See Item 5).

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

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

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

Note 5: Office Equipment & Supplies. Before opening your Business, you are required to purchase a computer system including hardware, software and related equipment. Your minimum requirements for these items are designated in the Operations Manual and in Item 11 of this

Disclosure Document. In addition, you will need a calculator, two line telephone, a cell phone, and typical office consumables. The range of costs depends on the equipment selected.

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

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

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

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

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

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

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

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

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

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

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

Note 17: Total Estimated Initial Investment. You should review these estimates carefully with a financial advisor before making any decision to purchase the franchise. Unless otherwise specified, the amounts this chart describes are not refundable. Neither we nor our affiliates offer financing for any part of your initial investment. The figures reflected in this table do not include any finance charge, interest, or debt service obligation. The availability and terms of financing depend on many factors, including the availability of financing generally, prevailing interest rates, your creditworthiness and collateral and lending policies of financial institutions.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers

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

To the extent we have approved certain manufacturers, vendors, distributors, suppliers and producers, which may be us or our affiliates (collectively, "Approved Suppliers"), if you choose to make a purchase, you are required to purchase from the Approved Suppliers. You must purchase all goods and services required for the operation of your Business from the Approved Suppliers (which

may be one supplier for any given product or service) under terms, in the manner, and from the source designated by us. We currently do not have any designated Approved Suppliers.

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

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

We have the right to negotiate purchase arrangements with certain Approved Suppliers for the benefit of franchisee-owned and company-owned In Home Personal Services businesses. We or our affiliates may derive revenue or profit from your dealings with the Approved Suppliers or other suppliers in the form of rebates, cash payments, discounts, promotional allowances, and/or other payments. At present, there are no such arrangements in place (other than with respect to the revenue our Affiliates will receive). We may also derive revenue on direct purchases that you make from us or from our affiliates. If we do, we may retain all of the rebates, commissions or other consideration we are paid, and have the right to use these amounts without restriction (unless we or our affiliates agree otherwise with the supplier) for any purpose we or our affiliates deem appropriate. We do not provide material benefits to a franchisee based on a franchisee's purchase of particular products or services or use of particular suppliers.

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

For our most recent fiscal year ended December 31, 2022, we received revenue of \$0 as a result of purchases by franchisees.

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

As of December 31, 2022, we did not have any purchasing or distribution cooperatives.

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

Insurance

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

Computer System

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

ITEM 9. FRANCHISEE’S OBLIGATIONS

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

OBLIGATION		SECTION IN AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Franchise Agreement, Section 2	Items 1, 7, 11 and 12

OBLIGATION		SECTION IN AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
b.	Pre-opening purchases/leases	Franchise Agreement, Section 9, 10 and 11	Items 5, 6, 7, 8 and 11
c.	Site development and other pre-opening requirements	Franchise Agreement, Section 2	Items 5, 6, 7, 8 and 11
d.	Initial and on-going training	Franchise Agreement, Sections 7	Items 6, 7 and 11
e.	Opening	Franchise Agreement, Section 10	Item 11
f.	Fees	Franchise Agreement, Sections 3, 4, 7, 8, 9, 10, 11, 12, 14 and 16	Items 5, 6, 7 and 8
g.	Compliance with standards and specifications/Operating Manual	Franchise Agreement, Sections 6, 10, 11, 12, 14 and 15	Items 8, 11, 15 and 16
h.	Trademarks and proprietary information.	Franchise Agreement, Sections 5 and 6	Items 13 and 14
i.	Restrictions on products/services offered	Franchise Agreement, Sections 1, 2, 10, and 11	Items 8, 11 and 16
j.	Warranty and customer service requirements	Franchise Agreement, Section 10	Item 11
k.	Territorial development and sales quotas	Franchise Agreement, Section 2	Item 12
l.	Ongoing product/service purchases	Franchise Agreement, Section 10 and 11	Items 5, 6, 8 and 16
m.	Maintenance, appearance, and remodeling requirements	Franchise Agreement, Sections 2 and 10	Item 7
n.	Insurance	Franchise Agreement, Section 9	Items 7 and 8
o.	Advertising	Franchise Agreement, Section 11	Items 6, 7 and 11
p.	Indemnification	Franchise Agreement, Section 15	Item 6
q.	Owner's participation/management/ Staffing	Franchise Agreement, Sections 1, 10, and 12	Items 11 and 15
r.	Records and reports	Franchise Agreement, Sections 3 and 8	Item 6

OBLIGATION		SECTION IN AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
s.	Inspections and audits	Franchise Agreement, Section 8, 10	Item 6
t.	Transfer	Franchise Agreement, Section 12	Item 17
u.	Renewal	Franchise Agreement, Section 4	Item 17
v.	Post-termination obligations	Franchise Agreement, Sections 6 and 14	Item 17
w.	Non-competition covenants	Franchise Agreement, Section 6	Item 17
x.	Dispute resolution	Franchise Agreement, Section 16	Item 17
y.	Licensing	Franchise Agreement Section 3 and 10	Item 7 and 11

ITEM 10. FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your note(s), lease(s) or other obligations.

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

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

Pre-Opening Assistance

Before you open your Franchised Business, we will:

1. Provide you with specifications and guidelines for the equipment, furniture and fixtures, inventory and supplies necessary to open your Business, we currently do not require you to purchase any portion of which from us and our Approved Suppliers, however we reserve the right to do so as described in Item 8 of this Disclosure Document. These specifications and guidelines are contained in the Manual or elsewhere as we may designate. Other required equipment, furniture and fixtures, inventory and supplies may be purchased from any supplier, so long as the supplier and the items purchased meet our specifications. (Franchise Agreement, Section 11).

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

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

4. Provide assistance with advertising and marketing your Business prior to opening. You are required to spend at least \$3,000 on your pre-opening marketing. (Franchise Agreement, Section 11.1).

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

Site Selection

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

Business Opening

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

You are required to begin operation of your In Home Personal Services business (i) within six months after you execute the Franchise Agreement; or (ii) within one month after you receive all required licenses and permits from governmental authorities and successfully complete training to our satisfaction; whichever occurs first. The time from the signing of a franchise agreement to the commencement of operation of your Business may vary depending upon a number of factors including the length of time it takes to obtain governmental licenses and permits, financing, zoning and local ordinances, hiring qualified personnel and normal business startup considerations. In the event you are unable to begin operation of your Franchised Business within the required timeframe, we may terminate the Franchise Agreement.

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

Continuing Assistance

During the operation of your Business, we will:

1. Provide continuing advice and assistance to you in the marketing, management and operation of the Business as we deem appropriate, at the time(s) and in the manner we determine. If you request and we agree, we will provide assistance in addition to our customary assistance and may charge you a reasonable fee. (Franchise Agreement, Section 7).
2. Provide ongoing programs including seminars, conventions or continuing education programs periodic or meetings for all franchises at locations designated by us as we deem appropriate. We will not require that you attend any ongoing program more often than once a year, but we may require participation in webinars or conference calls more frequently than yearly. You must pay for all travel, lodging, meals, salary and benefits, and incidental expenses for ongoing programs for both you and your employees. (Franchise Agreement, Section 7).
3. Periodically, provide you with recommendations and guidelines for advertising and promoting your Business as we deem appropriate. (Franchise Agreement, Section 13)

Advertising and Marketing

Marketing Fund

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

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

If we establish a Marketing Fund, we will account for the Marketing Fund separately from our other funds and will not use the Marketing Fund for any of our general operating expenses. However, we may use the Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Marketing Fund, the Marketing Fund’s other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses that we or our affiliates incur in activities reasonably related to administering or directing the Fund and its programs, including, without

limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund contributions. In addition, our Affiliates shall be entitled to reasonable compensation for any and all services provided on behalf of the Marketing Fund.

Although the Marketing Fund is not a trust, if we establish a Marketing Fund, we will use the Marketing Fund only for the purposes described in this Section. We do not owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use.

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

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

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

Advertising Cooperatives

We may designate a geographic area in which two or more In Home Personal Services businesses operate for an Advertising Cooperative. The Advertising Cooperative's members in any geographic area are the owners of all of the In Home Personal Services businesses operating in that geographic area (including us and our affiliates, if applicable). Each Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine. We anticipate that Advertising Cooperatives will operate from written governing documents, and prepare annual unaudited financial statements, that franchisees may review. We may change, dissolve and merge Advertising Cooperatives. Each Advertising Cooperative's purpose is, with our approval, to administer advertising programs and develop advertising, marketing and promotional

materials for the area that the Advertising Cooperative covers. If, on the date you sign the Franchise Agreement, we have established an Advertising Cooperative for the geographic area in which the Business is located, or if we establish an Advertising Cooperative in that area during the Franchise Agreement's term, you must sign the documents we require to become a member of the Advertising Cooperative and participate in the Advertising Cooperative as those documents require.

If we establish an Advertising Cooperative, you must contribute to any Advertising Cooperative that we establish the amounts that the Advertising Cooperative determines. These amounts are subject to our approval. All contributors typically will contribute on the same formula or at the same rate. All material decisions of the Advertising Cooperative, including contribution levels (which also require an approval), will require the affirmative vote of at least 51% of all the In Home Personal Services businesses operating within the Advertising Cooperative's geographic area (including, if applicable, those operated by us and our affiliates), with each business receiving one vote.

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

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

Initial Advertising Campaign/Local Advertising and Promotion

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

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

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for your Business must be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe from time to time. Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared. We will use reasonable efforts to approve or

disapprove the materials within five (5) business days after we or our designated agency receives the materials. You may not use any advertising, promotional, or marketing materials that we have not approved by us or have disapproved, even if previously approved. (Franchise Agreement, Section 11.1)

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

Marketing Materials.

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

Website

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

Non-Disparagement

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

Agreement, You agree this provision is necessary to protect our goodwill and thus necessary to protect your investment in your Franchise.

Computer System

To effectively operate your Business, you will need either a desktop or a laptop computer and certain required software. Your computer system will be used to manage client accounts, record revenue and expenses and integrate with our software. You must purchase all hardware and software in accordance with our specifications or, if required, from approved suppliers. The minimum computer hardware requirements are specified in the Manual or otherwise in writing by us. Some of the minimum requirements include a Dual Core processor, 4GB random access memory, and a 600GB hard drive. You will also need a laser printer and an Internet connection with a minimum speed of 15MBPS.

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

The approximate cost of computer hardware and software is \$2,000 as well as the monthly charges for your internet connection which we estimate at about \$75. You are solely responsible for the acquisition, operation, maintenance, and upgrading of your computer system. We are not obligated to provide ongoing maintenance, repairs, or upgrades.

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

Training Programs

Initial Training Program

We provide an initial training program for all franchisees. The initial training program consists of a comprehensive program that provides you with the methods, procedures and techniques you need to operate your Business (“Initial Training Program”). The Initial Training Program is at a location designated by us, currently at our headquarters in Illinois. You or a Principal Owner, if you are a business entity, must attend and successfully complete the Initial Training Program. You may send multiple persons to the Initial Training Program at no additional charge. All travel, lodging, meals, salary and benefits, and incidental expenses in connection with the Initial Training Program for you and your employees are your responsibility. Any training provided by us to any of your employees will be limited to training or guiding the employees

regarding the delivery of approved services to clients in a manner that reflects the service standards of the System. You are, and will remain, the sole employer of your employees during all training programs, and you are solely responsible for all employment decisions and actions related to your employees. You must ensure that your employees receive adequate training.

The Initial Training Program includes approximately 240 hours of training for 30 days (excluding weekends and holidays) and is currently conducted on an as needed basis. There is no fixed training schedule. We do not set minimum or maximum prices at which you must sell your Authorized Services. You will be in control of your price and we will provide support, guidance and suggestions based on our industry knowledge. The primary instructional material is the Manual and supplemental handouts. The Initial Training Program currently consists of the following:

INITIAL TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
About IHPS/IHPS History/What to expect in the ITP/Meet the team	3		Our Illinois Headquarters and/or local In Home Personal Services business
Onboarding (software, business contacts, vendors)	5	8	Our Illinois Headquarters and/or other In Home Personal Services business
Compliance	8		Our Illinois Headquarters and/or local In Home Personal Services business
Healthcare Education	8		Our Illinois Headquarters and/or local In Home Personal Services business
Administrator and Operations	16		Our Illinois Headquarters and/or local In Home Personal Services business
Director of Services		24	Our Illinois Headquarters and/or other In Home Personal Services business
Human resources	8		Our Illinois Headquarters and/or local In Home Personal Services business
Care Services Coordinator		8	Our Illinois Headquarters and/or other In Home Personal

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
			Services business
Billing	16		Our Illinois Headquarters and/or local In Home Personal Services business
Business Development and Partners, Current Campaigns/Business Development	48		Our Illinois Headquarters and/or local In Home Personal Services business
Creative Support Team, Social Media, lhps.com	8		Our Illinois Headquarters and/or local In Home Personal Services business
Corporate Field Shadowing		40	Our Illinois Headquarters and/or other In Home Personal Services business
Leadership Training	8		Our Illinois Headquarters and/or local In Home Personal Services business
Professional Standard and Communication	16		Our Illinois Headquarters and/or local In Home Personal Services business
Launch Preparation/Support	8		Our Illinois Headquarters and/or local In Home Personal Services business
Franchise Ongoing Support		8	Our Illinois Headquarters and/or other In Home Personal Services business

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

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

Iris Santiago. Iris is our Chief Operations Officer and has practiced occupational therapy prior to her

12 years of experience with us in various administrative, operational and management positions.

Brianna Turner. Brianna has served in various positions with us for the past 12 years and has over 14 years of experience in the healthcare industry.

Lovely Ranoa-Chia. Lovely was a caregiver in the profession at the age of 16 and became a Certified Nursing Assistant in 2008. Lovely is a College of Nursing graduate as a Licensed Practical Nurse in 2010.

Ylandus Roundy. Ylandus has her BA from The University of Iowa and holds a Master of Arts in Training and Development from Roosevelt University.

Danny Turner III. Danny will more than coordinate the Initial Training Program, he and his team begin building the Business Development Strategy for each operator.

Ephraim Santiago. Ephraim has worked with In Home Personal Services for over 15 years. He leads the caregiver placement team. His team is responsible for the recruitment, compliance, training and placement of all our caregivers.

Kira Jaghama. Kira has been with In Home Personal Services for over 10 years. As a Regional Director she has spent that career in the field building experience with hands on day-to-day operations.

Humberto Vilchis. Humberto works in local marketing and business development.

Jennifer Schmidt. Jennifer began her career with In Home Personal Services in 2012. Prior to her home care career, she worked as a nurse for an internal medicine doctor.

Janice Magno. Janice works as our liaison on the Immigration Sponsorship Program.

Franca Mastrodonato. As the Director of Human Resources Franca brings over 25 years of experience in Human Resources, leadership and operations management to the brand.

Melonee Wellington. Melonee brings over 25 years of experience in insurance and veterans benefits billing and collections experience.

Additional Training and Assistance.

In connection with the beginning of operation of your Business, subject to our availability and scheduling conflicts, we will provide you with at least two days of on-site assistance in the beginning of operations of your Business at your Principal Office. From time to time, we may present seminars, conventions, or continuing education programs, or we may conduct meetings for the benefit of all franchisees (“Ongoing Programs”). Some of the Ongoing Programs may be optional and some may be mandatory. We have the right to require you to attend any mandatory Ongoing Programs as may be offered by us. We will give you at least 30 days’ prior written notice of any Ongoing Program

which is deemed mandatory. We shall not require that you attend any Ongoing Program more often than once a year, but we may require participation in webinars or conference calls more frequently than yearly.

ITEM 12: TERRITORY

As a franchisee, you will select a specific defined territory from which you will operate your In Home Personal Services business (the “Protected Territory”). Your Protected Territory will be described in Exhibit A of your Franchise Agreement. The Protected Territory is determined by the latest software for mapping from Atlas Vision, which takes into account population of persons age 65 and older. Your Protected Territory will be identified by zip codes or other political and geographic boundaries. Within the Protected Territory, you will select a site for your business office with its own telephone number, computer system and furnishings from which you operate the Franchised Business (“Principal Office”). You may not relocate your Principal Office without our prior written consent. You must provide only the types of non-medical home care and personal services that we designate as “Authorized Services.” We may modify the Authorized Services as the System develops over time.

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

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

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

If you fail to meet any Gross Revenue Quota, we have the right to reduce the geographic size of the Protected Territory to an area we determine that you can appropriately service or establish a company-owned or affiliate-owned In Home Personal Services business, or grant an

additional franchise for an In Home Personal Services business in the Protected Territory. Failure to meet the Gross Revenue Quota, without more, is not an event that would result in the termination of your franchise agreement.

We reserve all other rights to solicit or accept customers in the following situations:

- (a) To own and operate, and grant franchises or licenses to others to own and operate In Home Personal Services businesses outside the Protected Territory;
- (b) To own and operate, and grant franchises or licenses to others to own and operate, any business of any kind providing services other than the Authorized Services, including but not limited to medical services, group adult day care services and other related services under the Marks or any names, trademarks, service marks, logos and other commercial symbols other than the Marks, at any locations within or outside the Protected Territory;
- (c) To use the Marks and the System to offer, sell or distribute or grant franchises or licenses to others to offer, sell or distribute any services or products (which may be similar to those that you will sell) through any alternate channels of distribution or other methods of distribution at any location within or outside of the Protected Territory. “Other channels of distribution” means any channels of distribution including without limitation wholesale, resale, the Internet (or any other existing or future form of electronic commerce, catalogs, mail order and television); and
- (d) To be acquired (whether through acquisition of assets, or equity interests or otherwise, regardless of the form of transaction) by a business or entity providing products and services similar to those provided by In Home Personal Services businesses, even if that business or entity operates, franchises or licenses competitive businesses in the Protected Territory.

You may not advertise and solicit business, or accept orders from consumers outside your Protected Territory in any manner, without our prior written consent (which we have the right to withhold for any or no reason). If you receive a prospective client lead from outside of your Protected Territory that is not the result of advertising or solicitation of business by you, then you may service that prospective client, so long as: (1) the prospective client is not within a territory that already has been assigned to another franchisee, and (2) you receive our prior written consent (which we have the right to withhold for any or no reason). You cannot provide any Authorized Services or other services in another franchisee’s territory, unless you receive our prior written consent (which we have the right to withhold for any or no reason). In the event that you request, and we approve, to service areas outside of your Protected Territory, and we subsequently withdraw our approval or award an In Home Personal Services franchise to a third party whose territory includes clients that you have been servicing, we may or may not require you to immediately transfer all such clients to us or the other franchisee. In addition, you will refer any requests for



service in said area to the franchisee who has purchased the territory. You will receive no compensation for such cessation of service or loss of future revenue and failure to comply with our written notice requiring such client transfer can result in termination of the Business. In addition, the license granted to you under this Agreement may not be used at any location outside the Protected Territory and does not include the right to offer or sell services or products identified by the Marks, or any other names, trademarks, service marks, logos or other commercial symbols outside your Protected Territory, or through any other channels of distribution within or outside your Protected Territory.

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

Your Franchise Agreement does not contain any options, rights of first refusal, or similar rights to acquire additional franchises within or outside of your Protected Territory.

ITEM 13. TRADEMARKS

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

MARK	REGISTRATION NUMBER	REGISTRATION DATE
	4,844,891	November 03, 2015
	4,616,533	October 07, 2014
<p>MAKING HOME CARE AFFORDABLE AND WORRY FREE</p>	3,733,554	January 05, 2010

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

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

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

Your use of the Marks and any goodwill established thereby will inure to our or our Affiliates' exclusive benefit. You have no ownership or other interest in the Marks. You may not at any time contest the validity or ownership of the Marks. You must follow our rules when you use the Marks and the Marks are the only marks you may use to identify your Business. You may not use any Mark or any part of any Mark as part of any corporate or trade name; with any prefix, suffix, or other modifying words, terms, designs, or symbols; as part of a domain name or electronic address you maintain on the internet, the worldwide web, or any other similar proprietary or common carrier

electronic delivery system; to advertise or sell any unauthorized service; or in any other manner unless authorized by us in writing.

You will use the Marks as the sole identification of your Business (provided you will identify yourself as the independent owner and operator of the Business) and only in connection with the offering of the Authorized Services. You may not use any Mark as part of any corporate or legal business name or in any other manner (including as an electronic media identifier, such as websites, web pages, or domain names) not expressly authorized in writing by us. We may authorize you to add a geographic designation to one or more of the Marks to identify your Protected Territory, but you agree not to assert any rights whatsoever to the Marks or the local market designation, whether in combination with each other or alone.

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

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

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

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

ITEM 16. RESTRICTIONS ON WHAT FRANCHISEE MAY SELL

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

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

THE FRANCHISE RELATIONSHIP

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

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
a.	Length of the term of the Franchise	Section 4	Term is 10 years from the date the Franchise Agreement is signed by all parties.
b.	Renewal or extension of the term	Section 4	Upon meeting certain conditions, you can renew your franchise for an additional term on our then current terms (which may be materially different than your prior Franchise Agreement).

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
c.	Requirements for you to renew or extend	Section 4	Provide at least sixty (60) days prior written notice of intent to renew; not in default and substantially comply during entire term with Franchise Agreement and all other agreements with us; sign the then current Franchise Agreement; execute general release of claims against us; comply with qualifications and training requirements, pay a Renewal Franchise Fee of \$5,000. "Renewal Franchise" means signing our then-current franchise agreement which could contain materially different terms than those in your original agreement.
d.	Termination by you	Section 3	If you are unable to acquire all necessary licenses for the operation of your Business within 120 days of signing the Franchise Agreement, you have a one-time option to terminate the Franchise Agreement. You will be entitled to a partial refund of your Initial Franchise Fee upon receipt of a general release from you in a form acceptable to us (\$7,500.00 of the Initial Franchise Fee is not refundable, post-term obligations will not be released.), but all other monies paid or incurred to the date of termination are non-refundable and you remain liable for any other debts incurred in connection with establishing the Franchised Business. The above does not apply to Conversion Franchisees.
e.	Termination by us without cause		Not Applicable.
f.	Termination by us with cause	Section 13	We can terminate the Franchise Agreement only if you default in your obligations under the Franchise Agreement or any other agreement with us.
g.	"Cause" defined; defaults which can be cured	Section 13	Under the Franchise Agreement you have 15 days to cure defaults not listed in (h) below.
h.	"Cause" defined; defaults which cannot be cured	Section 13	Non-curable defaults include: unsafe or unsanitary conditions or inhumane treatment of clients; making false statements, conviction of felony or other crimes or other conduct likely to

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
			impair the goodwill associated with the Marks; fail to comply with any law or regulation after time to cure; failure to maintain all necessary licenses; failure to complete the Initial Training Program or commence operations; adjudicated bankrupt or make an assignment for the benefit of creditors; unsatisfied judgments, levy or foreclosure; unauthorized disclosure of Confidential Information; unauthorized transfer; abandonment of Business; violate noncompete covenant(s); failure to cure default after notice and opportunity to cure.
i.	Your obligations on termination/non-renewal	Section 14	Obligations include pay past due amounts owed us and our affiliates, cease using our System, the Marks and Confidential Information, abide by the noncompete covenants, if required, sell us the Business' assets and abide by continuing obligations.
j.	Assignment of Franchise Agreement by us	Section 12	Assignee shall be economically capable, in our reasonable judgment, of performing the obligations of franchisor and expressly assume and agree to perform such obligations.
k.	Transfer by you – definition	Section 12	Includes sale or assignment of Franchise Agreement, franchisee entity, the franchise granted to you, or the Business assets.
l.	Our approval of transfer by you	Section 12	We have the right to qualify all proposed transferees.
m.	Conditions for our approval of transfer	Section 12	Assignee must be qualified, amounts owed to us or our affiliates must be paid, must be in compliance with all agreements with us and our affiliates, assignee must assume all obligations, you submit to us for review all documents and information respecting the transfer at least 45 days before proposed transfer, you provide us with a general release of all claims, assignee has satisfactorily completed Initial Training Program, pay a transfer fee of \$5,000, we do not elect to exercise our right of first refusal in (n) below.
n.	Our right of first refusal to acquire	Section 12	We may match any offer for the purchase of your business assets, stock or interest in the

PROVISION		SECTION IN FRANCHISE AGREEMENT	SUMMARY
	your business		Franchise Agreement.
o.	Our option to purchase your business	Section 14	We have the right to purchase your assets upon termination or expiration at book value.
p.	Your death or disability	Section 12	Franchise Agreement or ownership interest must be transferred by personal representative to approved buyer within 180 days.
q.	Noncompetition covenants during the term of the franchise	Section 6	No involvement in any Competitive Business.
r.	Noncompetition covenants after the franchise is terminated or expires	Section 6	No involvement with a Competitive Business for 18 months within your Protected Territory or one hundred miles of: (i) your Protected Territory; (ii) the territory of any other In Home Personal Services business.
s.	Modification of the Franchise Agreement	Section 16	No modifications generally unless in writing signed by both parties. We can modify or change the System through changes in the Manual.
t.	Integration/merger clause	Section 16	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 16	Except for certain claims, all disputes must be submitted to binding arbitration.
v.	Choice of forum	Section 16	Arbitration must be conducted in the Chicago, Illinois metropolitan area.
w.	Choice of law	Section 16	Illinois law applies.

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

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

The financial performance information included in Tables 1 below reflect gross revenue of all four company owned outlets and three franchised outlets, respectively, that: (1) were open and in operation for at least one full calendar year (during the entire period of January 1, 2022 through December 31, 2022, the “Measurement Period”) and (2) have reported a minimum of 12 months of gross sales data (the “Included Outlets”). We consider an outlet to be “open and in operation” once it has completed the training and all assigned door opening tasks, and is able to provide, at least, unlicensed homemaker/companionship services within the protected area. “Gross Revenue” is defined as all revenue and other income received, which arise from services by the outlet or others, directly or indirectly connected with the Business including all proceeds from any business interruption insurance, and excluding: (i) any sales tax or similar tax collected from clients and paid to any federal, state, local or any other governmental authority; and (ii) refunds made in good faith to clients in accordance with prudent business practices.

This financial performance representation does not include: (1) data for territories purchased and not yet opened by franchise owners, and (2) data for territories held by owners for resale that have been idled pending location of a buyer. In some instances, the Included Outlets have purchased more than one territory or a larger territory and report sales and royalty information as a single unit for all territories they own and/or operate out of one central office. In addition, in conjunction with the services provided to seniors, the population size, density of seniors and number of people over the age of 65 in the protected areas for the franchise owners represented in Table 1 below may not be similar to, or representative of, the protected area you may purchase.

The financial performance information presented below has been extracted from line 1 of the tax returns provided to us by the Franchisees. We have not audited this information, nor have we

independently verified this information.

Table 1
Certain Outlets Gross Revenue
For Years 2020 to 2022

Outlet Type	Outlet No.	2020 Gross Revenue	2021 Gross Revenue	2022 Gross Revenue
Company Owned	IL01	\$2,386,574	\$2,054,042	\$2,072,459
	IL02	\$1,145,875	\$1,102,955	\$1,114,753
	IL03	\$1,401,056	\$1,256,389	\$1,000,259
	IL05	\$1,034,608	\$975,697	\$550,010
Franchised	IL04	\$1,460,902	\$1,824,319	\$1,957,248
	IL07	-	-	\$370,640
	IL09	-	-	\$324,112
	FL01	\$1,013,798	\$1,009,520	\$675,064

Notes

Note 1: This Table does not contain information for IL07 and IL09 in 2020 and 2021, as 2022 was the first year IL07 and IL09 operated for a full year.

Note 2: This Table excludes information for three franchised outlets opened in 2022 which did not report a full year's gross revenue.

Note 3: The sizes of the territory for each outlet as well as the years opened differ.

Note 4: This Table excludes one franchised outlet closed in 2020.

You should conduct an independent investigation of the costs and expenses you will incur in operating your Business. You are responsible for developing your own business plan for your Business, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business, and legal advisors in doing so.

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

Other than the preceding financial performance representation, the Franchisor does not make any financial performance representations. The Franchisor also does not authorize its employees or representatives to make any such representations either orally or in writing. If you are purchasing an

existing outlet, however, the Franchisor may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the Franchisor's management by contacting Michael Collura, 2230 Point Blvd Ste 100, Elgin, Illinois 60123; (847) 829-8708, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**Table 1
Systemwide Outlet Summary
For Years 2020 to 2022**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	3	2	-1
	2021	2	4	+2
	2022	4	7	+3
Company Owed	2020	4	4	0
	2021	4	4	0
	2022	4	4	0
Total Outlets	2020	7	6	-1
	2021	6	8	+2
	2022	8	11	+3

**Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2020 to 2022**

State	Year	Number of Transfers
All	2020	0
	2021	0
	2022	0

**Table 3
Status of Franchised Outlets
For Years 2020 to 2022**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Illinois	2020	1	0	0	0	0	0	1
	2021	1	2	0	0	0	0	3
	2022	3	3	0	0	0	0	6
Florida	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Texas	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Total	2020	3	0	0	0	0	1	2
	2021	2	2	0	0	0	0	4
	2022	4	3	0	0	0	0	7

**Table 4
Status of Company Owned Outlets¹
For Years 2020 to 2022**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Illinois	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
Totals	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4

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

Table 5
Projected Openings as of December 31, 2023

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

The name, address, and telephone number of all franchisees as of December 31, 2022 is included as Exhibit C.

The name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, cancelled, 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 the franchisor within 10 weeks of the issuance date of this Disclosure Document appear at Exhibit D. If you buy a Franchised Business, your contact information may be disclosed when you leave the franchise system.

No current or former franchisees have signed confidentiality clauses.

As of December 31, 2022, there are no In Home Personal Services franchisee associations in existence regardless of whether they use our trademark or not.

ITEM 21. FINANCIAL STATEMENTS

Included as Exhibit E are our audited financial statements for the years ended December 31, 2022, December 31, 2021, and December 31, 2020. Also attached are our unaudited financial statements for the period ended October 31, 2023.

ITEM 22. CONTRACTS

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

- Franchise Agreement (with Exhibits) - Exhibit B
- Form of General Release – Exhibit F

ITEM 23. RECEIPTS

The Receipt pages are located on the last two pages of this Disclosure Document.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

AGENTS FOR SERVICE OF PROCESS AND STATE ADMINISTRATORS

California

Agent for Service of Process
State Administrator's Office
The Department of Financial Protection and
Innovation
One Sansome Street, Suite 600
San Francisco, CA 94104
(415) 972-8565.

Hawaii

Director of Commerce & Consumer Affairs
1010 Richards Street
Honolulu, Hawaii 96813
(808) 922-2270

Illinois

Agent for Service of Process
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

State Administrator's Office
Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana

Agent for Service of Process
Indiana Secretary of State
201 State House
Indianapolis, Indiana 46204

State Administrator's Office
Indiana Securities Commissioner
Securities Division
302 West Washington Street
Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Maryland

Agent for Service of Process
Maryland Securities Commissioner
200 St. Paul Place, 20th Floor
Baltimore, Maryland 21202-2020

State Administrator's Office
Office of the Attorney General
Division of Securities
200 St. Paul Place, 20th Floor
Baltimore, Maryland 21202-2020
(410)576-6360

Michigan

Department of Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
Lansing, Michigan 48913
(517)373-7117

Minnesota

Agent for Service of Process

Commissioner of Commerce
Minnesota Department of Commerce
133 East 7th Street
St. Paul, Minnesota 55101

State Administrator's Office

Registration Division
Minnesota Department of Commerce
133 East 7th Street
St. Paul, Minnesota 55101
(651)296-6328

New York

Agent for Service of Process

Secretary of State of the State of New York
162 Washington Avenue
Albany, New York 12231

State Administrator's Office

Investor Protection & Securities Bureau
New York Department of Law
120 Broadway, 23rd Floor
New York, New York 10271
(212) 416-8211

North Dakota

Agent for Service of Process

Securities Commissioner
5th Floor, 600 East Boulevard
Bismarck, North Dakota 58505

State Administrator's Office

North Dakota Securities Commission
State Capitol, 5th Floor
600 East Boulevard
Bismarck, North Dakota 58505
(701)328-4712

Rhode Island

Agent for Service of Process

Director of Business Regulation
233 Richmond Street, Suite 232
Providence, Rhode Island 02903

State Administrator's Office

Department of Business Regulation
233 Richmond Street, Suite 232
Providence, Rhode Island 02903
(401)222-3048

South Dakota

Agent for Service of Process

Director of Division of Insurance/Securities
Regulation
124 S. Euclid Suite 104
Pierre, South Dakota 57501

State Administrator's Office

Division of Insurance
Securities Regulation
124 S. Euclid Suite 104
Pierre, South Dakota 57501

Virginia

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

State Administrators Office

Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804)371-9051

Washington

Agent for Service of Process

Director of the Department of Licenses
1300 Quince Street
Olympia, Washington 98504

State Administrators Office:

Department of Financial Institutions
Securities Division
210 11th Ave. S.W., Room 300
Olympia, Washington 98504
(360)902-8760

Wisconsin

Agent for Service of Process

Commissioner Of Securities
Department Of Financial Institutions
Division Of Securities
4822 Madison Yards Way, North
Tower Madison, Wisconsin 53705
(608) 261-9555

State Administrators Office:

Commissioner of Securities
Department of Financial Institutions
Division of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 261-9555

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

FRANCHISE AGREEMENT

TABLE OF CONTENTS

1 **DEFINITIONS 1**

2. **GRANT OF FRANCHISE; PROTECTED TERRITORY; GROSS REVENUE QUOTA ..3**

 2.1 Grant of Franchise3

 2.2 Protected Territory.....3

 2.3 Rights We Reserve4

 2.4 Solicitation.....4

 2.5 Principal Office and Satellite Office(s).....5

 2.6 Minimum Gross Revenue Quota6

3. **FEES AND OTHER MONETARY REQUIREMENTS..... 7**

 3.1 Initial Franchise Fee7

 3.2 Royalty Fee.....7

 3.3 Royalty Report and Delinquent Report Fee8

 3.4 Late Fees and Interest8

 3.5 Other Amounts Due Us8

 3.6 Limited Right to Terminate; Partial Refund.....8

4. **INITIAL TERM AND RENEWAL 9**

 4.1 Term9

 4.2 Renewal9

5. **THE MARKS 10**

 5.1 Ownership of the Marks10

 5.2 Your Use of the Licensed Marks10

 5.3 Discontinuance of Use of the Marks10

 5.4 Notification of Infringement and Claims10

6. **THE MANUAL AND CONFIDENTIAL INFORMATION 11**

 6.1 The Manual.....11

 6.2 Confidential Information11

 6.3 In Term Non-Competition Covenant.....12

 6.4 Post-Term Non-Competition Covenant.....12

 6.5 Improvements Developed by You.....13

 6.6 Client List13

 6.7 Third Party Nondisclosure.....13

 6.8 System Website14

7.	INITIAL AND ONGOING TRAINING.....	14
7.1	Initial Training Program	14
7.2	Beginning Operations Assistance.....	15
7.3	Ongoing Programs.....	15
8.	BOOKS AND RECORDS.....	15
8.1	Books and Records	15
8.2	Reports.....	15
8.3	Inspections.....	16
8.4	Corporation, Limited Liability Company, Partnership or Other Entity	16
9.	INSURANCE.....	17
10.	YOUR FRANCHISED BUSINESS OPERATIONS	18
10.1	Manner of Operation	18
10.2	Supervision of the Business.....	18
10.3	Employee Policy.....	19
10.4	Compliance with Laws, Rules and Regulations	19
10.5	Computer System	19
10.6	Customer Service.....	20
10.7	Products, Services and Approved Suppliers.....	20
10.8	Proprietary Products and Supplies.....	21
10.9	Pricing Policies	21
10.10	System Adaptations	21
11.	MARKETING.....	22
11.1	Initial Advertising Campaign/Local Advertising and Promotion	22
11.2	Cooperative Advertising Program.....	22
11.3	Marketing Fund	23
12.	ASSIGNMENT AND TRANSFER	25
12.1	Assignment by Us.....	25
12.2	Assignment by You	25
12.3	Our Right of First Refusal	26
12.4	Transfer Due to Death or Disability	27
12.5	Transfer to Your Corporation or Other Entity.....	27
13.	DEFAULT AND TERMINATION	28
13.1	Our Right to Terminate With Notice.....	28
13.2	Our Right to Terminate with Notice and Opportunity to Cure	29
14.	OUR AND YOUR OBLIGATIONS ON EXPIRATION OR TERMINATION.....	30

14.1	Payment of Past Due Amounts Owed	30
14.2	Marks	30
14.3	Confidential Information	31
14.4	Covenant not to Compete	31
14.5	Our Right to Purchase the Assets of the Business.....	31
14.6	Continuing Obligations	31
15.	RELATIONSHIP OF THE PARTIES/INDEMNIFICATION	31
15.1	Indemnification.....	31
15.2	Independent Contractor	32
16.	ENFORCEMENT	33
16.1	Severability.....	33
16.2	Entire Agreement.....	33
16.3.	Waiver	33
16.4.	Cumulative Rights and Remedies	34
16.5.	Notices.....	34
16.6.	Governing Law.....	34
16.7.	Arbitration	35
16.8.	Injunctive Relief.....	35
16.9	Consent to Jurisdiction	36
16.10.	Waiver of Punitive Damages.....	36
16.11	Waiver of Jury Trial	36
16.12	Limitation Period for Claims.....	36
16.13	Costs and Attorneys Fees	36
16.14	No Reliance of Oral Representation.....	36
17.	ACKNOWLEDGEMENTS	37
17.1.	Independent Investigation	37
17.2.	True and Accurate Information	37
17.3.	Receipt of Franchise Disclosure Document	37
17.4.	Independent Advice.....	37
18.	MISCELLANEOUS	37
18.1	Compliance with Anti-Terrorism Laws.....	37
18.2	Counterparts	38
18.3	Headings; Captions.....	38
18.4.	Business Judgment	38

EXHIBITS:

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

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) with an effective date of this _____ day of _____, _____ (the “Effective Date”), is made and entered into by and between **IN HOME PERSONAL SERVICES DEVELOPMENT LLC**, an Illinois limited liability company, with its principal place of business at 2230 Point Blvd Ste 100, Elgin, Illinois 60123 (“we,” “us,” or “our”), and _____, with its principal place of business at _____ (“you” or “your”).

RECITALS

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

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

WHEREAS, we desire to grant to you and you desire to accept from us the right to operate an In Home Personal Services business, using the System and the Marks, pursuant to the terms and conditions set forth in this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants, agreements, terms, and conditions herein contained, the parties agree as follows.

1 DEFINITIONS

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

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

1.2 “Authorized Services” means the services that we require you to offer in the operation of the Business namely non-medical home care and personal services including

companionship services; daily living services including assistance with eating, bathing, hair care, skin care and dressing; light housekeeping services including assistance with housekeeping duties, meal preparation, grocery shopping, medication reminders and exercise; and any other related services as we deem appropriate in our sole discretion. We may modify the Authorized Services as the System develops over time.

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

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

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

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

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

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

1.9 “Mark(s)” means the trademarks and service marks and such other trade names, logos, trade dress, and other commercial symbols and similar and related words or symbols, that we own or license and that we have designated or may in the future designate, for use in the System

or the Business with the understanding that we may at any time modify, discontinue, add to or substitute the Marks used in the System.

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

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

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

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

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

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

2.1 Grant of Franchise

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

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

2.2 Protected Territory

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

2.3 Rights We Reserve

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

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

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

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

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

2.4 Solicitation

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

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

2.5 Principal Office and Satellite Office(s)

You must maintain a permanent business office facility with its own telephone number, internet connection and computer system from which you operate the Franchised Business ("Principal Office"). The site for your Principal Office must be approved by us. You shall use and occupy the Principal Office premises solely for the operation of the Franchised Business, shall refrain from using or permitting the use of the Principal Office for any other purpose or activity, and shall keep the Principal Office in normal operation for at least such minimum hours and days as we may specify in the Manual or otherwise in writing. The Principal Office must be kept clean, orderly and in excellent repair in the manner that we prescribe from time to time in the Manual or otherwise in writing. In connection therewith, you shall, at your expense, make such additions, alterations, repairs, and replacements to the Principal Office as may be required for that purpose, including, without limitation, such periodic repainting, repairing and replacing of obsolete or deteriorated signs, furnishings, fixtures, equipment and decor as we may reasonably direct by written notice to you. You shall complete all work specified in the notice within thirty (30) days after receipt of such notice.

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

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

2.6 Minimum Gross Revenue Quota

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

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

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

3. FEES AND OTHER MONETARY REQUIREMENTS

3.1 Initial Franchise Fee

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

3.2 Royalty Fee

Each month during the term of this Agreement, you shall pay to us a continuing royalty fee (“Royalty Fee”) in an amount equal to the greater of (i) four percent (4%) of Gross Revenue or (ii) the following Minimum Monthly Royalty:

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

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

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

3.3 Royalty Report and Delinquent Report Fee

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

3.4 Late Fees and Interest

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

3.5 Other Amounts Due Us

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

3.6 Limited Right to Terminate; Partial Refund

If you are unable to acquire the necessary licenses for the operation of your Business within one hundred twenty (120) days of executing this Agreement (“License Acquisition Period”), you will have a one-time option to terminate this Agreement (“Termination Option”). In order to exercise the Termination Option, you must have diligently pursued all licenses necessary for the operation of the Business and have provided us with written notice of your intent to terminate within ten (10) days prior to the end of the one hundred twenty (120) day license acquisition period. We shall have the right to determine if you have diligently pursued such licenses. Such determination shall be in our sole discretion and shall be a final and binding determination. If you exercise the Termination Option and we determine you have diligently pursued all licenses, we will retain \$7,500.00 of the Initial Franchise Fee paid to us which is deemed be our reasonable costs and expenses incurred prior to termination, and refund the rest of the Initial Franchise Fee. You remain liable for all expenses and debts you may have incurred in connection with the establishment of the Franchised Business including the fees contained in this Section 3 and as specified in this Agreement.

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

4. INITIAL TERM AND RENEWAL

4.1 Term

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

4.2 Renewal

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

(a) You have given us written notice of your election enter into a Renewal Franchise not earlier than ninety (90) days or later than sixty (60) days prior to the end of the Initial Term;

(b) You are not in default under or in breach of any provision, including amendments, of this Agreement, or any other agreement between you and us, and have been in substantial compliance with all terms and conditions of such agreements during their respective terms;

(c) You sign our then current form of Franchise Agreement, which agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement including without limitation, higher Royalty Fees, Marketing Fund contributions, and other fees;

(d) You execute a general release, in a form prescribed by us;

(e) You comply with our then-current qualifications and training requirements, at your sole expense; and

(f) You pay a Renewal Franchise Fee of \$5,000 ("Renewal Franchise Fee"). The Renewal Franchise Fee is deemed to be earned when you pay it and is not refundable under any circumstances.

5. THE MARKS

5.1 Ownership of the Marks

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

5.2 Your Use of the Licensed Marks

You agree to use the Marks as the sole identification of your Business (provided you will identify yourself as the independent owner and operator of the Business) and only in connection with the offering of the Authorized Services. You may not use any Mark as part of any corporate or legal business name or in any other manner (including as an electronic media identifier, such as websites, web pages, or domain names) not expressly authorized in writing by us. We may authorize you to add a geographic designation to one or more of the Marks to identity your Protected Territory, but you agree not to assert any rights whatsoever to the Marks or the local market designation, whether in combination with each other or alone.

5.3 Discontinuance of Use of the Marks

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

5.4 Notification of Infringement and Claims

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

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

6. THE MANUAL AND CONFIDENTIAL INFORMATION

6.1 The Manual

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

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

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

6.2 Confidential Information

We will disclose Confidential Information to you as part of your operation of the Business. You shall not acquire any interest in the Confidential Information, other than the right to use it to operate the Business. You agree that the Confidential Information is proprietary, includes our trade secrets, and that you:

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

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

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

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

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

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

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

6.3 In Term Non-Competition Covenant

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

6.4 Post-Term Non-Competition Covenant

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

(a) in your Protected Territory;

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

or

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

You and each of your Owners expressly acknowledge that you possess skills and abilities of a general nature and have the opportunity for exploiting those skills in other ways, so that enforcement of the covenants made in this Section will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants, and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period of time ending one (1) year after the date such person commences compliance with the order enforcing the covenant.

6.5 Improvements Developed by You

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

6.6 Client List

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

6.7 Third Party Nondisclosure

Your owners, spouses, employees, managers (and if you are an individual franchisee, your immediate family members) shall execute non-disclosure and non-competition agreements (in the form of Exhibit E) which contain substantially the restrictions of this Section 6. We shall be a third party beneficiary of such agreements and you shall not amend, modify, or terminate any such

agreement without our prior written consent. Upon our request, you shall provide us with the contact information for each of these person(s), and shall update such information as necessary.

6.8 System Website

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

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

7. INITIAL AND ONGOING TRAINING

7.1 Initial Training Program

Prior to commencing operation of the Business, we will provide you with an initial training program (the “Initial Training Program”) which you (or your Operating Owner, if you are an entity; or your Manager as defined in Section 10.2) must attend. All travel, lodging, meals, salary, benefits, and incidental expenses for both you and your designees incurred in connection with the Initial Training Program shall be your responsibility. You (or your Operating Owner if you are an entity; or your Manager as defined in Section 10.2) must complete the Initial Training Program to our satisfaction. We shall determine, in our reasonable discretion, whether you, or your Operating

Owner, or your Manager has satisfactorily completed the Initial Training Program. If the Initial Training Program is (a) not completed within the four (4) months after signing this Agreement or (b) not satisfactorily completed by you, or your Operating Owner, or your Manager, we may delay the opening of your Business until such requirements have been met.

7.2 Beginning Operations Assistance

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

7.3 Ongoing Programs

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

8. BOOKS AND RECORDS

8.1 Books and Records

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

8.2 Reports

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

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

(b) within sixty (60) days after the end of each of your fiscal years, annual profit and loss and source and use of funds statements and a balance sheet for the Franchised Business as of the end of the previous fiscal year; and

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

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

8.3 Inspections

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

8.4 Corporation, Limited Liability Company, Partnership or Other Entity

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

(a) Upon execution (or transfer) of this Agreement, you shall furnish to us a copy of your articles of incorporation, certificate of incorporation, bylaws, and a list of shareholders showing the percentage interest of shares owned by each by completing the Acknowledgement Regarding Ownership attached as Exhibit B. You shall promptly provide us copies of any amendments or changes to these documents. If your entity is other

than a corporation, you shall furnish the corresponding documents that apply to your entity (e.g. limited liability company articles of organization, operations agreement, list of members, etc.);

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

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

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

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

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

9. INSURANCE

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

In addition, you agree to purchase and maintain in full force and effect, at your expense, other insurance in amounts designated periodically by us or necessitated by prudent business practices covering operation or maintenance of any building, equipment or motor vehicle owned or leased by you in connection with your Business and any other insurance we specify in writing from

time to time or required by local, state or federal law. You further agree to deliver to us periodically or at our request a proper certificate evidencing the existence of such insurance coverage and your compliance with the provisions of this Section. All insurance coverage must (i) name us as an additional insured, (ii) insure you, us and our Affiliates and their respective officers, directors, agents and employees from any and all loss, liability, claim or expense of any kind whatsoever and (iii) provide that we will be given 30 days' prior written notice of material change in or termination or cancellation of the policy. This insurance coverage must commence as of the date you commence operating your Business.

10. YOUR FRANCHISED BUSINESS OPERATIONS

10.1 Manner of Operation

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

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

10.2 Supervision of the Business

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

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

10.3 Employee Policy

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

10.4 Compliance with Laws, Rules and Regulations

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

10.5 Computer System

In order to maximize the operation of the your Business, you shall acquire, install, maintain and upgrade computer hardware, software and Internet access (the “Computer System”) as periodically required by us during the term of the Agreement. We or our Affiliates or designees may be a designated supplier or the sole designated supplier for some or all of the required computer hardware, software and ongoing Computer System support. You expressly agrees to implement any such changes to the Computer System when necessary, within the time period specified for all franchisees and at your sole expense, in order to maintain the uniformity and integrity of the System and to comply with all policies and procedures, and execute any required agreements, regarding software and/or hardware support, use of intranet or any electronic communication, data storage/retrieval system, or the website as we may prescribe from time to time. You are solely

responsible for protecting from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive any and all claims you may have against us or our affiliates as the direct or indirect result of such disruptions, failures or attacks. You must comply with all laws and regulations relating to privacy and data protection, and must comply with all privacy policies or data protection and breach response policies as we may periodically establish. You must notify us immediately of any suspected data breach at or in connection with the Franchised Business.

You shall maintain an active e-mail account issued by us for receiving bulletins, updates, information and other communications from us. We use software in our electronic information systems that allows monitoring by authorized personnel and that creates and stores copies of any messages, files, or other information that is entered into, received by, sent, or viewed on the e-mail account issued by us. There is no expectation of privacy in any information or activity conducted, sent, performed, or viewed on or with such e-mail account. Accordingly, you should assume that whatever you do, type, enter, send, receive, and view on such e-mail account is electronically stored and subject to inspection, monitoring, evaluation, and our use at any time. Further, you agree that your use of the e-mail account issued by us to send or receive files or other data that would otherwise be subject to any kind of confidentiality or disclosure privilege is hereby waived with respect to any right of confidentiality or non-disclosure. Should you wish to maintain any confidentiality or disclosure privilege, you must send or receive such information using some means other than the e-mail account issued by us.

10.6 Customer Service

You are solely responsible for the quality of the services performed hereunder and shall render and shall cause each of your employees, contractors and agents to render prompt, competent and courteous service to clients. Our expectation is that you shall respond to any dissatisfied clients within twenty-four (24) hours after the complaint is received. Should you be unable to equitably resolve the client's complaint within seven (7) days after the initial contact, you shall contact us for possible assistance in handling the complaint. In no event shall our assistance be construed to make us liable to you or to your client in connection with such complaint since you are solely responsible for satisfactorily resolving all client disputes. Should you fail to do so, you are responsible for reimbursing us or any other franchisee that does so for the reasonable cost of such services. In order to ensure that our reputation for providing superior services is maintained and to ensure that all franchisees use the System to maintain high standards of quality and service in compliance with this Agreement, we may contact your clients concerning the quality of services, the level of client satisfaction, or other aspects of the Business that we deem relevant.

10.7 Products, Services and Approved Suppliers

All products, supplies and equipment used in the Business shall be of high quality to assure uniformly high standards. You shall offer all, and only such Authorized Services and other products and services as have been expressly approved by us and shall refrain from or discontinue offering any products or services which we may, in our discretion, disapprove in writing at any time. Specified products, inventory, supplies, uniforms, tools, chemicals, equipment and other materials

used in the operation of the Business shall be purchased from suppliers whose products and workmanship demonstrate, to our continuing reasonable satisfaction, the ability to meet our specifications and high standards of quality and uniformity. Approved suppliers may include us and our Affiliates. We will periodically advise you, in writing, of designated and/or approved suppliers. You have the right to seek our approval of an unapproved supplier provided that prior to any such purchase, you give us written notice that you wish to purchase from sources other than previously approved suppliers. The notice shall be given sufficiently in advance to permit us to conduct any verification and testing we deem advisable. We will not unreasonably withhold our approval of any alternate supplier, and we will use reasonable efforts to respond to your request for approval within thirty (30) business days from our receipt of your request. We may require that samples from alternate suppliers be delivered to us or to a designated independent testing laboratory for testing before approval is given. A charge (to cover the actual cost of the test or inspection and any related cost/expense) may be made by us or by an independent testing laboratory designated by us and shall be paid by you to us or the independent testing laboratory upon demand. We reserve the right to revoke our approval upon the supplier's failure to meet our criteria even if previously approved. We and our Affiliates may receive payments from suppliers on account of such suppliers' dealings with you and other franchise owners, and may use any amounts so received without restriction and for any purpose we and our Affiliates deem appropriate.

10.8 Proprietary Products and Supplies

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

10.9 Pricing Policies

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

10.10 System Adaptations

Because complete and detailed uniformity under many varying conditions may not be possible or practical, and in order to remain competitive and respond to new technology, client needs and market conditions, we reserve the right to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices, or any other conditions that we deem to be of importance to the operation of such business. You will not be entitled to require us to grant to you a like or other variation hereunder on account of any variation from standards, specifications and

practices granted to any other franchisee. You acknowledge and agree that we have the right to make periodic modifications or rescind any requirement, standard or specification under this Agreement as may be necessary in order to adapt our System to changing conditions and competitive circumstances.

11. MARKETING

11.1 Initial Advertising Campaign/Local Advertising and Promotion

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

Starting from the third month after the month of your Business's grand opening, each month you shall spend on local advertising and promotion an amount equal to one and one-half percent (1.5%) of the prior months Gross Revenue (the "Local Advertising Expenditure"). You are not required to spend more than Twenty-five Hundred Dollars (\$2,500) per month for your Local Advertising Expenditure. Such Local Advertising Expenditure shall be made directly by you, subject to our approval. You must use our Approved Supplier(s) for digital marketing and marketing materials.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials, signs, stationery supplies and other items we designate for use in your Business ("Marketing Materials") must bear the Marks in the form, color, location and manner we specify, and you must obtain all such materials from Approved Suppliers. You may prepare and use your own advertising and promotional materials only with our prior written approval. We will provide a written response to your request for approval within 30 days after we receive it. You may not use any advertising, promotional, or marketing materials that we have not approved by us or have disapproved, even if previously approved. All advertising and promotional materials that you use for your Business must be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe from time to time.

11.2 Cooperative Advertising Program

Subject to the terms and conditions of this Section 11.2, you agree that we may establish an advertising cooperative ("Advertising Cooperative") in geographical areas in which two (2) or more In Home Personal Services businesses are operating. The Advertising Cooperative members in any area will include all In Home Personal Services franchisees in such area. Each Advertising Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. We may change, dissolve and merge Advertising Cooperatives. Each Advertising Cooperative's purpose is, with our approval, to administer advertising programs and develop advertising, marketing and promotional materials for the area that the Advertising

Cooperative covers. If, as of the time you sign this Agreement, we have established an Advertising Cooperative for the geographic area in which your Protected Territory is located, or if we establish an Advertising Cooperative in that area during this Agreement's term, you agree to sign the documents we require to become a member of the Advertising Cooperative and to participate in the Advertising Cooperative as those documents require.

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

11.3 Marketing Fund

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

Once a Marketing Fund is established, you agree to contribute to the Marketing Fund an amount equal to the amounts that we prescribe from time to time, not to exceed one percent (1%) of the Gross Revenue from your Franchised Business, payable in the same manner as the Royalty Fee. Your contributions will be paid by the method described in Section 3.2 of this Agreement.

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

Once a Marketing Fund is established, we will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Marketing Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing,

implementing, and maintaining a website that promotes In Home Personal Services businesses (including the Website described in Section 6.8); administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing activities; and for building general brand awareness for the Authorized Services provided by us, our Affiliates and our franchisees.

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

Although the Marketing Fund is not a trust, once a Marketing Fund is established, we will use the Marketing Fund only for the purposes described in this Section. We do not owe any fiduciary obligation to you for administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use.

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

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund contributions at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly

provided in this Subsection, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Marketing Fund.

12. ASSIGNMENT AND TRANSFER

12.1 Assignment by Us

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

12.2 Assignment by You

The rights and duties created by this Agreement are personal to you and we have entered into this Agreement in reliance upon our perception of your individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, you shall not directly or indirectly transfer in any way this Agreement (nor any interest in this Agreement), any part or all of the ownership of the Business, the franchise, or all or a substantial portion of your assets without our express written consent. Any unauthorized transfer is a breach of this Agreement, void, and of no effect. The term “transfer” includes your (or an owner’s) voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in: (i) this Agreement; (ii) the franchisee entity; (iii) the franchise governed by this Agreement; or (iv) all or a substantial portion of the assets of the Business. A transfer of your ownership, possession, or control, or all or a substantial portion of its assets, may be made only upon our prior written consent and is subject to the following conditions:

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

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

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

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

obligations which by their very nature specifically survive the termination of this Agreement;

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

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

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

(h) a transfer fee of \$5,000.00 shall be paid to us; except that there is no transfer fee if the transfer is to your immediate family members.

12.3 Our Right of First Refusal

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

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

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

12.4 Transfer Due to Death or Disability

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

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

12.5 Transfer to Your Corporation or Other Entity

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

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

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

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

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

13. DEFAULT AND TERMINATION

13.1 Our Right to Terminate With Notice

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13.2 Our Right to Terminate with Notice and Opportunity to Cure

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

(a) if you fail to pay any amounts due to us or our Affiliates when due;

(b) if you fail to comply with any of the standards, specifications or procedures prescribed by us in this Agreement, the Manual, or otherwise in writing;

(c) if you misuse or fail to follow our directions and guidelines concerning use of the Marks and fail to correct such misuse or failure;

(d) if you fail to submit the Royalty Report or any other required report when due;

(e) if you refuse to abide by the solicitation provisions in Section 2.4;

(f) if you refuse to permit us to inspect the Business or the books and records of the Business, in accordance with the terms of this Agreement

(g) if your heirs, legatees, personal representative, conservator or guardian, as applicable, fails to dispose of your interest in the franchise following your death or permanent disability;

(h) if you fail to commence operation of the Business in accordance with the time specified in this Agreement;

(i) if you fail to acquire, or to continuously maintain the required minimum levels of insurance, fail to have us named as an additional insured, or fail to provide a current certificate of insurance;

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

14. OUR AND YOUR OBLIGATIONS ON EXPIRATION OR TERMINATION

14.1 Payment of Past Due Amounts Owed

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

14.2 Marks

You may not directly or indirectly at any time or in any manner (except with other In Home Personal Services business(es) you own and operate) identify yourself or any business as a current or former In Home Personal Services Business or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of an In Home Personal Services business in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us. Accordingly, when this Agreement expires or is terminated:

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

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

(c) you agree to notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, or other

numbers and telephone directory listings associated with any Mark; to authorize the transfer of these numbers and directory listings to us or at our direction; and to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events.

14.3 Confidential Information

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

14.4 Covenant not to Compete

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

14.5 Our Right to Purchase the Assets of the Business

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

14.6 Continuing Obligations

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

15. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

15.1 Indemnification

You agree to protect, defend, indemnify, and hold us, and our current and former Affiliates, and our and their respective past and present stockholders, members, owners, principals, directors, officers, employees, representatives and agents ("Indemnitee(s)") harmless and promptly to reimburse Indemnitees for, from, and against all claims, actions, proceedings, damages, costs,

expenses and other losses and liabilities, consequently, directly or indirectly incurred (including without limitation attorneys' and accountants' fees) as a result of, arising out of, or connected with your operation of the Business, your employees, agents and representatives actions or inactions, or your breach under this Agreement.

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

15.2 Independent Contractor

In all dealings with third parties including, without limitation, employees, suppliers, and clients, you shall disclose in an appropriate manner acceptable to us that you are an independent entity licensed by us as a franchisee. You and we are independent contractors. This Agreement does not constitute you as an agent, servant, representative, partner or employee of ours. It is expressly agreed that the parties intend by this Agreement to establish the relationship of franchisee and franchisor. Neither party is in any way authorized to make any contract, agreement, warranty or representation on behalf of the other. Neither party is the employer, employee, agent partner, fiduciary or coventurer of or with the other, each being independent. All employees or agents hired or engaged by or working for you will be only the employees or agents of yours and will not for any purpose be deemed employees or agents of ours or any of our affiliates, nor subject to our or our affiliates control and in particular, we and our affiliates will have no authority to exercise control over the hiring or termination of these employees independent contractors, or others who work for you; their compensation; working hours or conditions; or their day-to-day activities except to the extent necessary to protect the Marks. You are not granted any right or authority to assume or create any obligations or responsibility, express or implied, on behalf of or in our name, in any matter or thing whatsoever. This Agreement does not create a fiduciary relationship or a relationship of special trust and confidence. All employees, independent contractors, representatives or agents hired or engaged by or working for you will be only your employees, independent contractors, representatives or agents and will not for any purpose be deemed our or our Affiliates employees, independent contractors, representatives or agents, nor subject to our or our Affiliates control and in particular, we nor our affiliates will have no authority to exercise control over the solicitation, hiring, paying, disciplining, scheduling, managing or termination of your employees, independent contractors, agents, representatives or others who work for you; their compensation; working hours or conditions; or their day-to-day activities except to the extent necessary to protect the Marks. You shall, prominently display a sign in the Franchised Business, indicating to the general public that the business is independently owned and operated by you under a license granted by us. All business cards, stationery, checks and employment communications used by you in connection with the Franchised Business must clearly disclose that the business is

independently owned and operated by you under a license granted by us. If required by us, marketing materials used by you must clearly disclose that the Franchised Business is independently owned and operated by you under a license granted by us.

16. ENFORCEMENT

16.1 Severability

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

16.2 Entire Agreement

This Agreement constitutes the entire agreement between us and you regarding the subject matter hereof, and supersedes all prior and contemporaneous agreements between us and you regarding such subject matter. No officer, employee, servant or agent of ours or Franchisee has been authorized to make any representation, warranty or other promise not contained in this Agreement or in the accompanying Franchise Disclosure Document. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the accompanying Disclosure Document. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties.

16.3. Waiver

No waiver of any term, covenant or condition, or the breach of any term, covenant or condition of this Agreement to be kept or performed by the other party shall constitute a waiver by the waiving party of any subsequent breach of such term, covenant or condition or authorize the breach of non-observance on any other occasion of the same or any other term, covenant or condition of this Agreement. Subsequent acceptance by us of any payments due shall not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants or conditions of this

Agreement. Whenever this Agreement requires our prior approval or consent, such approval or consent shall be obtained in writing. We will also consider granting, in our sole discretion, other reasonable requests individually submitted by you in writing for our prior waiver of any obligation imposed by this Agreement. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefore. Any waiver granted by us shall be subject to our continuing review, may subsequently be revoked for any reason effective upon ten (10) days prior written notice, and shall be without prejudice to any other rights we may have.

16.4. Cumulative Rights and Remedies

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

16.5. Notices

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

If to Franchisor:

In Home Personal Services Development, LLC
2230 Point Blvd Ste 100
Elgin, Illinois 60123
Attention: President

If to Franchisee:

16.6. Governing Law

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

16.7. Arbitration

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

16.8. Injunctive Relief

You agree that in addition to all other remedies at law or equity, we are entitled to seek injunctive relief against any actual, threatened, or contemplated breach of this Agreement or to protect the goodwill associated with the Marks. In addition, either party may seek emergency

injunctive relief in a court of competent jurisdiction to protect against threats to health or safety. In any action in which we seek to obtain injunctive relief, we shall not be required to post bond.

16.9 Consent to Jurisdiction

Subject to Section 17.7, the parties agree that any action brought by you or us in any court, whether federal or state, shall be brought within the state and in the judicial district in which we have our principal place of business. Any action brought by us against you in any court, whether federal or state, may be brought within the state and judicial district in which we have our principal place of business. The parties do hereby waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

16.10. Waiver of Punitive Damages

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

16.11 Waiver of Jury Trial

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

16.12 Limitation Period for Claims

ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF FRANCHISOR AND FRANCHISEE, OR FRANCHISEE'S OPERATION OF THE BUSINESS BROUGHT BY ANY PARTY HERETO AGAINST ANY OTHER SHALL BE COMMENCED WITHIN TWO (2) YEARS FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE FOREVER BARRED.

16.13 Costs and Attorneys' Fees

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

16.14 No Reliance of Oral Representations

You acknowledge and agree that no representations or statements of any kind, including without limitation actual, average, projected, forecasted or potential sales, costs, income or profits are made to you by us, and in entering this Agreement, you solely relying upon the information

contained in this Agreement and the Franchise Disclosure Document and are not in reliance upon any other information.

17. ACKNOWLEDGEMENTS

17.1. Independent Investigation

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

17.2. True and Accurate Information

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

17.3. Receipt of Franchise Disclosure Document

You acknowledge that we have provided you with a franchise disclosure document not later than fourteen (14) days before the execution of this Agreement, or fourteen (14) days before any payment of any consideration by you that we have not made any material change to the Agreement within the seven calendar days prior to the date on which this Agreement is executed..

17.4. Independent Advice

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

18. MISCELLANEOUS

18.1 Compliance with Anti-Terrorism Laws

You and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies,

lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war.

18.2 Counterparts

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

18.3 Headings; Captions

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

18.4. Business Judgment

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

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

FRANCHISOR:

FRANCHISEE:

**IN HOME PERSONAL SERVICES
DEVELOPMENT LLC**

If you are an individual:

By: _____

Individually:

Print Name: _____

Print Name: _____

Title: _____

Individually:

Print Name: _____

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

(Name of Entity)

By: _____

Print Name: _____

Title: _____

EXHIBIT A TO THE FRANCHISE AGREEMENT

PROTECTED TERRITORY

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

FRANCHISOR:

**IN HOME PERSONAL SERVICES
DEVELOPMENT LLC**

By: _____

Print Name: _____

Title: _____

FRANCHISEE:

If you are an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

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

(Name of Entity)

By: _____

Print Name: _____

Title: _____

EXHIBIT B TO THE FRANCHISE AGREEMENT

ACKNOWLEDGMENT REGARDING OWNERSHIP

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

- | | |
|--|---|
| <input type="checkbox"/> individual | <input type="checkbox"/> corporation |
| <input type="checkbox"/> partnership | <input type="checkbox"/> limited liability company |
| <input type="checkbox"/> joint venture | <input type="checkbox"/> other business form _____ (describe) |

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

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

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

FRANCHISEE:

By: _____

Its: _____

EXHIBIT C TO THE FRANCHISE AGREEMENT

INITIAL FRANCHISE FEE DETERMINATION

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

- (a) A New Franchisee. A new franchisee with In Home Personal Services must pay an Initial Franchise Fee of Thirty-Two Thousand Five Hundred and 00/100 Dollars (\$32,500.00).
- (b) A Current Franchisee. A current franchisee who in our sole discretion is eligible to enter into an additional franchise agreement for an additional In Home Personal Services franchise is eligible for a 25% reduction of the applicable Initial Franchise Fee.
- (c) A Conversion Franchisee. A conversion franchisee is eligible for an Initial Franchise Fee of Seven Thousand Five Hundred and 00/100 Dollars (\$7,500).
- (d) A Current Employee. A good standing employee who is currently employed with In Home Personal Services or any of its affiliates and meets our qualifications, or the spouse of such employee, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Twenty-Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00).
- (e) An Honorably Discharged Veteran. An honorably discharged veteran or a spouse of such honorably discharged veteran, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Twenty-Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00).
- (f) A Health Care Professional. A health care professional such as a registered nurse, medical doctor, nurse practitioner, physician's assistant, licensed practical nurse, occupational therapist, physical therapist, speech therapist or social worker, and the spouse of such health care professional, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Twenty-Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00).
- (g) A First Responder. A first responder such as a police officer, fire fighter, paramedic or emergency medical technician, and the spouse of such first responder, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Twenty-Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00).
- (h) An Educator. An educator and the spouse of such Educator, who wishes to become a franchisee with In Home Personal Services and eligible for an Initial Franchise Fee of Twenty-Two Thousand Five Hundred and 00/100 Dollars (\$22,500.00).

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

EXHIBIT D TO THE FRANCHISE AGREEMENT

ACH Payment Authorization

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

Date: _____

Your Information:

Franchisee: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone#: _____

Financial Institution Information:

Name on account: _____

Bank Name: _____

Address: _____

Routing#: _____ Acct.#: _____

By: _____

(Signer must be an authorized signatory on the account)

Print Name _____

(Please Attach a Voided Check)

EXHIBIT E TO FRANCHISE AGREEMENT

FORM OF NONDISCLOSURE AND NONCOMPETITION AGREEMENT

THIS NONDISCLOSURE AND NONCOMPETITION AGREEMENT (this “Agreement”) is made as of _____, 20__ between IN HOME PERSONAL SERVICES DEVELOPMENT, LLC, an Illinois limited liability company (the “Franchisor”), _____ (the “Franchisee”) and _____, an individual (“You”).

RECITALS

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

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

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

WHEREAS, The System and Confidential Information provides an economic advantage to Franchisor and is not generally known to, and is not readily ascertainable by Franchisor’s competitors who could obtain economic value from knowledge and use of the System and Confidential Information;

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

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

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

1. Unauthorized Disclosure of Confidential Information.

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

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

(b) shall not use, directly or indirectly, the Confidential Information in any other business or capacity other than in connection with your affiliation by and for the benefit of Franchisee and Franchisor;

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

2. Non-Competition Covenant.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12. **Capitalized Terms.** The parties agree that all capitalized terms in this Agreement shall have the same meaning ascribed to them in any Franchise Agreement between the Franchisor and the Franchisee, and incorporate such definitions herein.

FRANCHISOR:

IN HOME PERSONAL SERVICES DEVELOPMENT LLC

By: _____

Print Name: _____

Title: _____

FRANCHISEE: _____

By: _____

Print Name: _____

Title: _____

You:

By: _____

Name: _____

EXHIBIT F TO THE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

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

1. In consideration of, and to induce In Home Personal Services Development, LLC (the “**Franchisor**”) to enter into a franchise agreement dated _____, 20____ (the “**Franchise Agreement**”), with _____ (“**Franchisee**”), you hereby agree, in consideration of the benefits received and to be received by each of you, jointly and severally, and for yourselves, your heirs, legal representatives and assigns, (a) to be bound by all of the terms, provisions and conditions of the Franchise Agreement, and any other agreement between Franchisee and Franchisor and/or its affiliates for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement, and do hereby personally and unconditionally guarantee the full and timely performance of each and every undertaking, agreement and covenant of Franchisee’s set forth in the Agreement or other agreement between Franchisor and Franchisee; and (b) to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities (all of which shall be referred to as the “**Obligations**”). This Guaranty is an unconditional guarantee of payment and performance.

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

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

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

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

Date

Guarantor
Print Name: _____
Home Address: _____

Date

Guarantor
Print Name: _____
Home Address: _____

Date

Guarantor
Print Name: _____
Home Address: _____

Date

Guarantor
Print Name: _____
Home Address: _____

EXHIBIT G TO THE FRANCHISE AGREEMENT

FORM OF BUSINESS ASSOCIATE AGREEMENT

This Agreement is entered into this ____ day of _____ 20__ by and between (Franchisee) _____ (“Covered Entity”) and In Home Personal Services Development, LLC (“Franchisor” or “Business Associate”).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. Return or Destruction of Protected Health Information upon Termination. Upon the termination of this Agreement Business Associate shall either return or destroy all PHI received from the Covered Entity or created or received by Business Associate on behalf of the Covered Entity in which Business Associate maintains in any form. Business Associate shall not retain any copies of such PHI. Notwithstanding the foregoing, in the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible upon termination of this Agreement, Business Associate shall provide to Covered Entity notification of the condition that makes return or destruction infeasible. To the extent that it is not feasible for Business Associate to return or destroy such PHI, the terms and provisions of this Agreement shall survive such termination or expiration and such PHI shall be used or disclosed solely as permitted by law for so long as Business Associate maintains such Protected Health Information.

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

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

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

Signature Page Follows

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

FRANCHISOR:
IN HOME PERSONAL SERVICES DEVELOPMENT, LLC

By: _____
Printed Name: _____
Its: _____

COVERED ENTITY:

By: _____
Printed Name: _____
Its: _____

EXHIBIT H TO THE FRANCHISE AGREEMENT

ADDENDUM FOR CONVERSION FRANCHISEES

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

RECITALS:

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

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

NOW, THEREFORE, the parties agree as follows:

1. Amendments to the Franchise Agreement.

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

Notwithstanding the foregoing, if you are a conversion franchisee, each month during the term of the Agreement, you must pay to us a Royalty Fee in an amount equal to the greater of (i) 2% of Gross Revenue for year one, 4% of Gross Revenue for subsequent years, or (ii) the Minimum Monthly Royalty.

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

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

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

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

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

2. Modification to Your Current Business.

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

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

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

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

3. Franchisee's Representation

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

Conversion Franchisee acknowledges that Franchisor have relied upon such information as provided by Conversion Franchisee in determining its qualification.

4. Miscellaneous.

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

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

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

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

**FRANCHISOR:
IN HOME PERSONAL SERVICES DEVELOPMENT, LLC**

By: _____
Printed Name: _____
Its: _____

Conversion Franchisee:

By: _____
Printed Name: _____
Its: _____

EXHIBIT I TO THE FRANCHISE AGREEMENT

U.S. SMALL BUSINESS ADMINISTRATION ADDENDUM



ADDENDUM TO _____¹ AGREEMENT

THIS ADDENDUM (“Addendum”) is made and entered into on _____, 20____, by and between _____ (“_____”), located at _____, and _____ (“_____”), located at _____.

_____ and _____ entered into a _____ Agreement on _____, 20____, (such Agreement, together with any amendments, the “_____ Agreement”). _____ is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration (“SBA”). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the _____ Agreement or any other document _____ requires _____ to sign:

CHANGE OF OWNERSHIP

- If _____ is proposing to transfer a partial interest in _____ and _____ has an option to purchase or a right of first refusal with respect to that partial interest, _____ may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of _____. If the _____’s consent is required for any transfer (full or partial), _____ will not unreasonably withhold such consent. In the event of an approved transfer of the _____ interest or any portion thereof, the transferor will not be liable for the actions of the transferee _____.

FORCED SALE OF ASSETS

- If _____ has the option to purchase the business personal assets upon default or termination of the _____ Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the _____ owns the real estate where the _____ location is operating, _____ will not be required to sell the real estate upon default or termination, but _____ may be required to lease the real estate for the remainder of the _____ term (excluding additional renewals) for fair market value.

¹ While relationships established under license, jobber, dealer and similar agreements are not generally described as “franchise” relationships, if such relationships meet the Federal Trade Commission’s (FTC’s) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the _____ owns the real estate where the _____ location is operating, _____ has not and will not during the term of the _____ Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the _____'s real estate, they must be removed in order for the _____ to obtain SBA-assisted financing.

EMPLOYMENT

- _____ will not directly control (hire, fire or schedule) _____'s employees. For temporary personnel franchises, the temporary employees will be employed by the _____ not the _____.

As to the referenced _____ Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the _____.

Except as amended by this Addendum, the _____ Agreement remains in full force and effect according to its terms.

_____ and _____ acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 - 3733.

Authorized Representative of _____:

By: _____

Print Name: _____

Title: _____

Authorized Representative of _____:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the _____ and _____. Additionally, the applicant _____ and the _____ system must meet all SBA eligibility requirements.

EXHIBIT C TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

The following is a list of franchisees as of December 31, 2022:

Abel Care Services, Inc.
64 West End Drive
Gilberts, IL 60136
847.915.4797

Coastal Home Health LLC
1900 South Harbor City Boulevard, Suite 121
Melbourne, FL 32901
321.984.0706

JJJ Home Care, Inc.
2230 Point Blvd Ste 100
Elgin, IL 60123
630.672.5280

Noragis Home Care Agency LLC
5250 Old Orchard Rd. Ste. 300
Skokie, IL 60077
312.451.4276

Friendship Home Care, LLC.
2230 Point Blvd. Ste.100
Elgin, IL 60123

Franchise Agreements Signed But Units Not Yet Operational

Ventura Home Care, Inc.
3663 E. Sunset Rd. Ste. 201-E
Las Vegas, NV 89120
725-220-0328

JBC Home Care, LLC.
912 Ashtree Dr.
Plant City, FL 33563
813-796-5335

EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO LEFT SYSTEM

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

None

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

**IN HOME PERSONAL
SERVICES DEVELOPMENT, LLC**

FINANCIAL STATEMENTS

DECEMBER 31, 2020

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
DECEMBER 31, 2020

TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Balance Sheet	3
Statement of Operations and Member's Deficit	4
Statement of Cash Flows	5
Notes to Financial Statements	6



Giordano & Associates CPAs, P.C.
Business and Tax Consultants

INDEPENDENT AUDITORS' REPORT

To the Member of
In Home Personal Services Development, LLC
Crystal Lake, Illinois

We have audited the accompanying financial statements of In Home Personal Services Development, LLC (an Illinois Limited Liability Company) which comprise the balance sheet as of December 31, 2020, and the related statements of operations and member's deficit, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of In Home Personal Services Development, LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Giordano & Associates CPAs P.C.

Certified Public Accountants

Bristol, Pennsylvania
April 23, 2021



IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

CURRENT ASSETS

Cash	\$ 34,961
Receivables	
Royalties	5,346
Note receivable, current portion	<u>2,400</u>

TOTAL CURRENT ASSETS 42,707

OTHER ASSETS

Note receivable, net of current portion	<u>8,600</u>
---	--------------

TOTAL ASSETS \$ 51,307

LIABILITIES AND MEMBER'S DEFICIT

CURRENT LIABILITIES

Credit card payable	\$ 280
Contract liabilities, franchise fees, current portion	<u>4,950</u>

TOTAL CURRENT LIABILITIES 5,230

LONG-TERM LIABILITIES

Contract liabilities, franchise fees, net of current portion	12,513
Due to member	<u>765,495</u>

TOTAL LONG-TERM LIABILITIES 778,008

MEMBER'S DEFICIT

(731,931)

TOTAL LIABILITIES AND MEMBER'S DEFICIT \$ 51,307

See accompanying notes.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
STATEMENT OF OPERATIONS AND MEMBER'S DEFICIT
YEAR ENDED DECEMBER 31, 2020

REVENUES	
Franchise fee	\$ 4,950
Royalties	147,284
	<hr/>
TOTAL REVENUES	152,234
OPERATING EXPENSES	
Payroll and reimbursable employee expenses	43,485
Payroll taxes	4,421
Advertising & marketing	41,872
Bank service charges	1,123
Business license and permits	525
Dues and subscriptions	3,684
Interest expense	101
Office expense	3,595
Professional fees	59,910
Travel	275
	<hr/>
TOTAL OPERATING EXPENSES	158,991
	<hr/>
NET LOSS	(6,757)
MEMBER'S DEFICIT, BEGINNING	(765,263)
Member contributions	40,089
	<hr/>
MEMBER'S DEFICIT, ENDING	<u><u>\$ (731,931)</u></u>

See accompanying notes.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss	\$ (6,757)
Adjustments to reconcile net loss to net cash used in operating activities	
(Increase) decrease in assets:	
Receivables	
Royalties	3,882
Note receivable	2,400
Increase (decrease) in liabilities:	
Credit card payable	280
Contract liabilities, franchise fees	(4,951)
NET CASH USED IN OPERATING ACTIVITIES	<u>(5,146)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Member capital contributions	40,089
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>40,089</u>

NET INCREASE IN CASH 34,943

CASH, BEGINNING 18

CASH, ENDING \$ 34,961

See accompanying notes.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

In Home Personal Services Development, LLC (the Company) was formed on March 30, 2009 for the purpose of selling and operating franchises under the brand name In Home Personal Services. The franchises are a business model for the purpose of providing nonmedical home care and personal care services primarily for seniors, including companionship services, in home respite care, household assistance, and assistance with daily activities. The Company authorizes franchisees and third-party licensees to use business formats, methods, procedures, designs, layouts, trade names, and trademarks in the United States.

The Company does not own or operate any In Home Personal Services locations.

As of December 31, 2020, there were three (3), open and operating franchise locations and no additional locations in stages of development.

Basis of Accounting and Use of Estimates

The financial statements are presented on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk - Cash

The Company maintains cash balances at financial institutions, which at various times during the year may exceed the threshold for insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company believes it is not exposed to any significant credit risk on its cash.

Revenue Recognition

The Company generates revenue from the sale of franchise licenses under various agreements. This initial franchise fee is due at signing and is earned based on the recognition of specific performance obligations. The Company also generates revenue from royalty and advertising fees. From time to time the Company can charge various other fees as outlined in the Franchise Disclosure Document. See Note 2, "Revenue from Contracts with Customers" for further information.

Cash and Cash Equivalents

For purposes of the financial statements, the Company considers all highly liquid investments purchased with an original maturity of three (3) months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable is reported at the amount management expects to collect from outstanding balances. Account balances that are still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance, and a credit to the receivable. There is no valuation allowance recorded as of December 31, 2020.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

In Home Personal Services Development, LLC has elected to be treated as a single member limited liability company for federal and state income tax reporting purposes and, as such, is not subject to income tax. Accordingly, no provision for income taxes is provided in the financial statements. The income, loss, and other tax attributes are reported by the Member on their individual tax return.

The Company believes it is no longer subject to income tax examinations by major tax jurisdictions for the year prior to 2018.

Limited Liability Company

Since the Company is a limited liability company, no member, manager, agent, or employee of the Company shall be personally liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort, or otherwise, or for the acts or omissions of any other member, director, manager, agent, or employee of the Company, unless the individual has signed a specific personal guarantee. The duration of the Company is perpetual.

As a limited liability company, each member's liability is limited to amounts reflected in their respective member equity accounts.

Advertising and Marketing Fund

The Company administers advertising and marketing funds collected from franchisees and manages the franchise advertising and marketing program on behalf of the franchisees. Advertising and marketing fund contributions are calculated at 1% of gross revenue and collected at the same time as the royalty fee. During 2019, the Company temporarily postponed this fee mid-year and is re-evaluating when to continue this fee.

Advertising and Marketing Costs

Advertising and marketing costs are charged to operations in the year incurred. Total advertising and marketing costs for the year ended December 31, 2020 was \$41,872

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Franchise Fees

The Company recognizes franchise fees in two (2) individual performance obligations. The amount allocated to the initial training program is earned at a point in time when performed. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee. For the year ended December 31, 2020, revenue earned at a point in time was \$-0- and revenue earned over time was \$4,950.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty and advertising fees. These fees are based on franchisee weekly sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

IN HOME PERSONAL SERVICES DEVELOPMENT, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Contract Liabilities

Contract liabilities consist of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Contract liabilities are a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed. Revenue recognized during the year ended December 31, 2020 that was included in the contract liability balance at the beginning of the year was \$4,950.

Remaining Performance Obligations

The remaining performance obligations will consist of initial franchise fees for all executed franchise agreements and is reported as contract liabilities - franchise fees, on the balance sheet. Estimated revenue expected to be recognized in the next one (1) to (5) years related to performance obligations that are either unsatisfied or partially satisfied as of December 31, 2020 is \$17,463.

The estimated revenue does not contemplate future franchise renewals or new franchise agreements which do not exist as of December 31, 2020.

NOTE 3 NOTE RECEIVABLE

A franchisee executed a promissory note for payment of its initial franchise fee. The note provides for monthly principal payments of \$200 beginning August 1, 2016. The loan is noninterest bearing, and matures on July 2025. As of December 31, 2020, the balance of the note receivable was \$11,000.

NOTE 4 DUE TO MEMBER

The Company's sole member has advanced funds over the years for cash needed by the Company, totaling \$765,495 as of December 31, 2020. The advances bear no interest and have no repayment terms.

NOTE 5 RELATED PARTY TRANSACTIONS

The Company has a system license agreement with In Home Personal Services, Inc. (IHPS), an affiliated entity. IHPS is 100% owned by the Company's sole member. IHPS has developed distinctive uniform standards, methods, techniques, and expertise procedures and specifications for establishing operating, promoting, and providing a business specializing in nonmedical home care and personal care services to seniors in independent living communities. The license agreement allows the Company to franchise or sub-license this System and the use of any of the trademarks of IHPS. The license is a nonexclusive, non-assignable right, royalty free license that will continue in perpetuity, unless terminated by IHPS subject to certain conditions. Furthermore, IHPS participates in shared marketing on the same basis as franchisees. IHPS contributed \$-0- to marketing income for the year ended December 31, 2020.

NOTE 6 SUBSEQUENT EVENTS

The Company has evaluated events or transactions that have occurred after December 31, 2020 (the financial statement date) through April 14, 2021, the date that the financial statements were available to be issued. During this period, the Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in the financial statements.

Due to the current global pandemic, the Company and businesses in general are being affected throughout the country. The Company's royalty streams have been continuing. Management has made cuts to operating expenses and does not anticipate any issues with continuing operations. Lastly, the member of the Company has financial resources available should the Company need cash flow to support the growth of the franchise business.

CONSENT OF ACCOUNTANT

Giordano & Associates CPAs, P.C. hereby consent to the use in the Franchise Disclosure Document issued by In Home Personal Services Development, LLC (the Franchisor) on April 23, 2021 as it may be amended, as of our report dated April 23, 2021 relating to the financial statements of the Franchisor as of December 31, 2020.

Giordano & Associates CPAs P.C.

Certified Public Accountants

Bristol, Pennsylvania
April 23, 2021

In Home Personal Services Development, LLC

FINANCIAL STATEMENTS

for the year Ended December 31, 2021

ROSETREE & Company, Ltd.

Phone: 847-673-4010

Fax: 847-673-4012

Rosenba@chicagoboth.edu

8831 Kenneth

Skokie, IL 60076

Independent Auditor's Opinion

To the Member
In Home Personal Services Development, LLC
Crystal Lake, Illinois

Opinion

We have audited the statement of financial position of In Home Personal Services Development, LLC ("In Home") as of December 31, 2021, and the related statements of operations and member's capital and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of In Home as of December 31, 2021 and the results of its operations and its cash flows the year then ended in conformity with generally accepted accounting principles.

Basis for Opinion

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

Management's Responsibility 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 In Home's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of 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 generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 perform audit procedures responsive to those risks. Such procedures include designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about In Home's ability to continue as a going concern for a reasonable period of time.

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

/s/ ROSETREE & Company

September 15, 2022

In Home Personal Services Development, LLC
Statement of Financial Position
December 31, 2021

	Assets
Current Assets:	
Cash	\$ 37,700
Accounts receivable	8,170
Current portion of note receivable	<u>2,400</u>
Total current assets	<u>48,270</u>
Other Assets:	
Note receivable	<u>6,200</u>
Total Assets	<u>\$ 54,470</u>
 Liabilities and Members' Equity	
Current Liabilities:	
Accounts payable	\$ 18,082
Credit card payable	2,775
Current portion of deferred revenue	<u>4,950</u>
Total current liabilities	25,807
Long Term Liabilities:	
EIDL loan	338,053
Deferred revenue	<u>7,563</u>
Total liabilities	<u>371,423</u>
Members' Equity:	
Due to affiliate	449,969
Member's equity	<u>(766,922)</u>
Total Member's equity	<u>(316,953)</u>
Total Liabilities and Partners' Equity	<u>\$ 54,470</u>

The accompanying notes are an integral part of the financial statements

Statement of Operations and Member's Capital
For the Year Ended December 31, 2021

Revenues	
Royalties	\$ 100,994
Franchise fees	<u>4,950</u>
Total revenues	<u>105,944</u>
Expenses:	
Advertising and promotion	61,572
Professional fees	39,399
Bad debts	5,628
Dues and subscriptions	7,008
Office expenses	<u>2,159</u>
Total expenses	<u>115,766</u>
Operating income (deficit)	(9,822)
Non-operating income (expense)	
Interest expense	<u>(1,153)</u>
Net income (loss)	(10,975)
Members' equity, beginning of year, as restated	(723,523)
Distributions	<u>(32,424)</u>
Members' equity, end of year	<u><u>(766,922)</u></u>

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

NOTE 1: Nature of Business

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

As of December 31, 2021, there were three open and operating franchise locations and no additional locations in stages of development.

NOTE 2: Accounting Policies

Basis of Accounting

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

Estimates

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

Revenue and Cost Recognition

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

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

Income Taxes

In Home is taxed as a single member limited liability company for Federal income tax purposes, and thus no provision or liability for income taxes is reflected in these financial statements. Income is taxed to the member on his respective returns. In Home is subject to Illinois replacement tax on its profits. In Home's tax Returns for 2021, 2020, 2019 and 2018 are subject to examination by the IRS, generally for three years after they were filed.

Statement of Cash Flows

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

NOTES TO FINANCIAL STATEMENTS

Receivables

Accounts receivable consist of franchise royalties and fees and other miscellaneous receivables. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable based on a specific review of account balances. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recoverability is considered remote. There was no allowance for doubtful accounts at December 31, 2021.

Start-up Costs

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

Concentrations of Credit Risk

The Company maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021, there were no uninsured cash balances.

NOTE 3: Note Receivable

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

NOTE 4: EIDL LOAN

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

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

NOTE 5: Related Parties

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

NOTE 6: Prior period adjustment

NOTES TO FINANCIAL STATEMENTS

The financial statements as of December 31, 2020 did not provide for accruing royalties from franchisees earned in December but not paid until the following year. These financials include an adjustment for \$8,408 relating the unrecorded royalties.

NOTE 7: Subsequent Events

Subsequent events have been evaluated through September 15, 2022 which is the date the financial statements were available to be issued.

In Home Personal Services Development, LLC

FINANCIAL STATEMENTS

for the year Ended December 31, 2022

Independent Auditor's Opinion

To the Member
In Home Personal Services Development, LLC
Crystal Lake, Illinois

Opinion

We have audited the statement of financial position of In Home Personal Services Development, LLC ("In Home") as of December 31, 2022, and the related statements of operations and member's capital and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of In Home as of December 31, 2022 and the results of its operations and its cash flows the year then ended in conformity with generally accepted accounting principles.

Basis for Opinion

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

Management's Responsibility 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 In Home's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 perform audit procedures responsive to those risks. Such procedures include design and performing audit procedures that are 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 our audit in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about In Home's ability to continue as a going concern for a reasonable period of time.

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

April 5, 2023

Neetree & Co.

NOTES TO FINANCIAL STATEMENTS

In Home Personal Services Development, LLC
Statement of Financial Position
December 31, 2022

	Assets	
Current Assets:		
Cash		\$ 229
Current portion of notes receivable		<u>23,060</u>
Total current assets		<u>23,289</u>
Other Assets:		
Notes receivable, long term		<u>86,202</u>
Total Assets		<u>\$ 109,491</u>
	Liabilities and Members' Equity	
Current Liabilities:		
Credit card payable		\$ 9,102
Current portion of deferred revenue		<u>15,356</u>
Total current liabilities		24,458
Long Term Liabilities:		
EIDL loan		350,950
Deferred revenue		<u>82,272</u>
Total liabilities		<u>457,680</u>
Members' Equity:		
Due to affiliates		498,317
Member's equity		<u>(846,506)</u>
Total Member's equity		<u>(348,189)</u>
Total Liabilities and Partners' Equity		<u>\$ 109,491</u>

NOTES TO FINANCIAL STATEMENTS

Statement of Operations and Member's Capital For the Year Ended December 31, 2022

Revenues	
Royalties	\$ 110,588
Franchise fees	17,947
Other	<u>1,780</u>
Total revenues	<u>130,315</u>
Expenses:	
Payroll and benefits	134,818
Advertising and promotion	56,963
Professional fees	11,330
Dues and subscriptions	175
Office expenses	<u>449</u>
Total expenses	<u>203,735</u>
Operating income (deficit)	(73,420)
Non-operating income (expense)	
Interest expense	<u>(12,897)</u>
Net income (loss)	(86,317)
Members' equity	(766,922)
Contributions	<u>6,733</u>
Members' equity, end of year	\$ <u>(846,506)</u>

NOTES TO FINANCIAL STATEMENTS

Statement of Cash Flows For the Year Ended December 31, 2022

Cash flows from operations:	
Net loss	\$ (86,317)
Amortization of deferred revenue	(4,950)
Increase in accounts and notes receivable	(92,492)
Increase in accrued interest	12,897
Increase in deferred revenue	90,065
Decrease in accounts payable and accrued liabilities	<u>(18,082)</u>
Cash provided by operations	<u>(98,879)</u>
Cash flows from financing activities	
Credit card advances	6,327
Advances from affiliate	48,348
Contributions	<u>6,733</u>
Cash used by financing activities	61,408
Cash, beginning of year	<u>37,700</u>
Cash, end of year	<u>\$ 229</u>
Interest paid	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 1: Nature of Business

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

As of December 31, 2022, there were seven open and operating franchise locations and no additional locations in stages of development.

NOTE 2: Accounting Policies

Basis of Accounting

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

Estimates

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

Revenue and Cost Recognition

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

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

Income Taxes

In Home is taxed as a single member limited liability company for Federal income tax purposes, and thus no provision or liability for income taxes is reflected in these financial statements. Income is taxed to the member on his respective returns. In Home is subject to Illinois replacement tax on its profits. In Home's tax Returns for 2022, 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they were filed.

Statement of Cash Flows

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

NOTES TO FINANCIAL STATEMENTS

Receivables

Accounts receivable consist of franchise royalties and fees and other miscellaneous receivables. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable based on a specific review of account balances. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recoverability is considered remote. There was no allowance for doubtful accounts at December 31, 2022.

Start-up Costs

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

Concentrations of Credit Risk

The Company maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022, there were no uninsured cash balances.

NOTE 3: Notes Receivable

Several franchisees executed promissory notes for payment of their initial franchise fees. The notes are not interest bearing and are payable over three to ten years from the purchase of the franchises. No interest has been imputed to these notes as it would not be material.

NOTE 4: EIDL LOAN

In December 2022, The Company received a \$337,000 loan from the U.S. Small Business Administration under the Economic Injury Disaster Loan program. Principal and interest payments are deferred for twenty-four months after which the loan is payable in installments of \$1,736 monthly, including interest at 3.75%, for thirty years. The loan is collateralized by all of the Company's assets. Principal payments due over the next five years are:

2023	(9,912)
2024	7,426
2025	7,710
2026	8,004
2027	7,605
Thereafter	<u>330,117</u>
Total	<u>\$350,950</u>

NOTE 5: Related Parties

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

NOTES TO FINANCIAL STATEMENTS

NOTE 6: Subsequent Events

Subsequent events have been evaluated through April 5, 2023 which is the date the financial statements were available to be issued.

In Home Personal Services Development LLC

Profit & Loss

January through October 2023

	<u>Jan - Oct 23</u>
Ordinary Income/Expense	
Income	
Franchise System Fee	
Initial Franchise Fee - Ranoa	418.00
Initial Franchise Fee -Paff	1,200.00
Total Franchise System Fee	1,618.00
Initial Franchise Fee - Bell	22,500.00
Initial Franchise Fee - Ventura	418.00
OP IL06 Chicago Lake Shore Iwuh	8,500.00
Operations Income	5,730.82
Refunds	-12,544.39
Royalty	
FL-17 Brevard Paff	18,089.61
IL-04 Kane Middleton	71,566.62
IL 06 Chicago Lake Shore Iwuh	8,279.05
IL 07 09 Dupage Cook S Ventura	18,803.59
IL 10 11 Will Collar Ranoa	4,000.00
Total Royalty	120,738.87
Total Income	146,961.30
Expense	
Advertising and Promotion	4,009.41
Bank Service Charges	734.72
Bonuses	1,500.00
Commission	13,250.00
Dues and Subscriptions	175.00
Legal Fees	5,345.00
NSF	8,500.00
Payroll Expense	103,702.78
Reconciliation Discrepancies	-403.20
Returns and allowances	6,900.00
Transfer	91,055.00
Total Expense	234,768.71
Net Ordinary Income	-87,807.41
Other Income/Expense	
Other Expense	
Ask My Accountant	1,000.00
Total Other Expense	1,000.00
Net Other Income	-1,000.00
Net Income	-88,807.41

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

(to be executed upon refund, renewal or transfer)

GENERAL RELEASE

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

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

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

Executed as of _____.

FRANCHISEE: _____

By: _____

Print Name: _____

Title: _____

OWNER:

By: _____

Print Name: _____

Title: _____

GUARANTORS: _____

By: _____

Print Name: _____

Title: _____

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

IHPS Franchise Operations Manual Table of Contents

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

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, In Home Personal Services Development, LLC and you are preparing to enter into a Franchise Agreement for the operation of a franchised business. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

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

Yes ___ No ___

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

Yes ___ No ___

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

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

Yes ___ No ___

4. Do you understand all of the information contained in the Franchise Disclosure Document?
Yes ___ No ___

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

5. Have you discussed the benefits and risks of operating an In Home Personal Services business with an attorney, accountant or other professional advisor and do you understand those risks?
Yes ___ No ___

6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?
Yes ___ No ___

7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of an In Home Personal Services business that we or our franchisees operate, that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes ___ No ___

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

Yes ___ No ___

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

Yes ___ No ___

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

Yes ___ No ___

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

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

Yes ___ No ___

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

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

Name of Franchisee/Applicant

Date: _____, 20__

Signature

Name and Title of Person Signing

EXHIBIT I TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

STATE SPECIFIC ADDENDA TO THE
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE
AGREEMENT

The following are additional disclosures for the Franchise Disclosure Document (“FDD”) of In Home Personal Services Development, LLC required by various state laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

CALIFORNIA

ITEM 1 of the FDD is amended to add the following:

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

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

ITEM 3 of the FDD is amended to add the following:

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

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

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

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

ITEM 6 of the FDD is amended to add the following:

The highest applicable interest rate in California is 10%.

ITEM 9 of the FDD is amended to add the following:

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.

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

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

ITEM 17 of the FDD is amended to add the following:

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.

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

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

The Franchise Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 -20043).

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

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

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

ILLINOIS

ITEM 5 of the FDD is amended to add the following:

Escrow of Initial Franchise Fee.

Because of our financial condition based on our most recent audited financial statement, the Office of the Attorney General for the State of Illinois requires us to provide financial assurances to franchisees to ensure that we fulfill our initial obligations under the Franchise Agreement. We have elected to escrow the Initial Franchise Fee that you pay to us.

All fees paid to us by you, including payments for goods and services received from us before the business opens, should be held in escrow pending satisfaction of all of our pre-opening obligations to you. A copy of the Illinois Escrow Agreement is included as part of Exhibit I to this Franchise Disclosure Document. Once you begin operation of your franchise, we will request the release of the funds to us.

ITEM 17 of the FDD is amended to add 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 in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois

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

The conditions under which a franchise can be terminated and your rights upon non-renewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

INDIANA

ITEM 8 of the FDD is amended to add the following:

The Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7- 1(4) prohibits provisions in a franchise agreement subject to the Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, 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.

ITEM 17 of the FDD is amended to add the following:

The following is added to the end of the “Summary” section of Item 17.t, titled “Integration/merger clause”: “No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

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

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

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

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

ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana law.

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

WISCONSIN

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

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

MICHIGAN

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

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

- (a) A prohibition on your right to join an association of franchisees.
- (b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.
- (c) A provision that permits us to terminate a Franchise prior to the expiration of its term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the Franchise business are not subject to compensation. This subsection applies only if: (i) the term of the Franchise is less than five (5) years; and (ii) you are prohibited by the Franchise Agreement 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 you do not receive at least six (6) months' advance notice of our intent not to renew the Franchise.
- (e) A provision that permits us 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 the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the Franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed transferee to meet our then-current reasonable qualifications or standards.
 - (ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us 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 us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you 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.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

[The remainder of this document has been intentionally left blank.]

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

CALIFORNIA

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), by and between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business located at 2230 Point Blvd Ste 100, Elgin, Illinois 60123 (“Franchisor,” “we,” or “us”), and the following individual(s) and/or entity: _____

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

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

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

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

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

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

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

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

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

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

California Business and Professions Code Sections 20000 through 20043 provide rights to You concerning nonrenewal, termination, or transfer of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to You concerning termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement contains a provision that is inconsistent with these laws, these laws shall control.

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

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

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

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

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

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

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

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

ILLINOIS

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this ____ day of _____, _____ (the “Effective Date”), by and between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business located at 2230 Point Blvd Ste 100, Elgin, Illinois 60123 (“Franchisor,” “we,” or “us”), and the following individual(s) and/or entity: _____

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

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

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

Because of our financial condition based on our most recent audited financial statement, the Office of the Attorney General for the State of Illinois requires us to provide financial assurances to franchisees to ensure that we fulfill our initial obligations under the Franchise Agreement. We have elected to escrow the Initial Franchise Fee that you pay to us. A copy of the Escrow Agreement is included as part of Exhibit I to the Franchise Disclosure Document. Once you begin operation of your franchise, we will request the release of the funds to us.

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

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.

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

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

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

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

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

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise

agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

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

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

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

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

INDIANA

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), by and between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business located at 2230 Point Blvd Ste 100, Elgin, Illinois 60123 (“Franchisor,” “we,” “us”), and the following individual(s) and/or entity: _____

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

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

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

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

Section 15.1 of the Franchise Agreement is amended to provide that you will not be required to indemnify us for any liability imposed upon us as a result of your reliance upon or use of procedures or products which were required by us, if such procedures or products were utilized by you in the manner required by us.

Section 16.6 of the Franchise Agreement is amended to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law will prevail.

Section 16.7 of the Franchise Agreement is amended to provide that arbitration between us and you, shall be conducted in Indiana or a site mutually agreed upon.

Section 16.9 of the Franchise Agreement is amended to provide that Franchisee may commence litigation in Indiana for any cause of action under Indiana law.

[signature page follows]

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

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

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

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

WISCONSIN

THIS AMENDMENT TO THE FRANCHISE AGREEMENT (this “Amendment”) is entered into this _____ day of _____, _____ (the “Effective Date”), by and between In Home Personal Services Development, LLC, an Illinois limited liability company, with its principal place of business located at 2230 Point Blvd Ste 100, Elgin, Illinois 60123 (“Franchisor,” “we,” “us”), and the following individual(s) and/or entity: _____

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

Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Sec. 135.01-135.07 will supersede any conflicting terms of the Franchise Agreement.

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

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

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

If Franchisee is an individual:

Individually:

Print Name: _____

Individually:

Print Name: _____

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

(Name of Franchisee)

By: _____

Print Name: _____

Title: _____

State Effective Dates

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

This 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
Illinois	_____

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

RECEIPT

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

If we offer you a franchise, we must provide this disclosure document to you:

- (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or
- (b) Under New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or
- (c) Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if it 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 appropriate state administrator identified on Exhibit A to this Disclosure Document.

The name, principal business address and telephone number of each franchise seller offering the franchise are: Michael Collura, 2230 Point Blvd Ste 100, Elgin, Illinois 60123; (847) 829-8708 and _____.

The issuance date of this Disclosure Document is April 6, 2023.

We authorize the respective state agencies identified on Exhibit A to receive service of process for us in the particular state.

I received a Disclosure Document dated April 6, 2023 (certain state effective dates appear on the State Cover Page) that included the following Exhibits:

- Exhibit A List of State Administrators and Agents for Service of Process
- Exhibit B Franchise Agreement and Exhibits
- Exhibit C List of Franchisees
- Exhibit D List of Franchisees Who Have Left System
- Exhibit E Financial Statements
- Exhibit F Form of General Release
- Exhibit G Table of Contents to Operations Manual
- Exhibit H Franchisee Disclosure Questionnaire
- Exhibit I State Specific Addenda

DATE: _____

SIGNATURE: _____

PRINT NAME: _____

(Retain this copy)

RECEIPT

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

If we offer you a franchise, we must provide this disclosure document to you:

- (d) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or
- (e) Under New York, and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or
- (f) Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if it 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 appropriate state administrator identified on Exhibit A to this Disclosure Document.

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- Exhibit G Table of Contents to Operations Manual
- Exhibit H Franchisee Disclosure Questionnaire
- Exhibit I State Specific Addenda

DATE: _____

SIGNATURE: _____

PRINT NAME: _____

(Retain this copy)