

FRANCHISE DISCLOSURE DOCUMENT

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The franchise is to provide non-medical in-home personal care services. The total investment necessary to begin operation of an EPAGA Home Care Business is \$99,150 to \$207,950. This includes \$39,650 to \$39,950 that must be paid to us.

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

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "[A Consumer's Guide to Buying a Franchise](#)," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-Help or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's homepage at www.ftc.gov for additional information on franchising. 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: December 20, 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 should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only EPAGA Home Care 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 EPAGA Home Care franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

Certain states require that the following risk be highlighted:

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Montana. 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 Montana than in your own state.

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

Yaba, LLC is the franchisor. We are referred to as "Company," "Franchisor," "we," "us" or "our." "You" means the person who buys the franchise whether you are an individual, sole proprietorship, corporation, partnership, limited liability company or other entity.

Our affiliate, Agape Home Care, Inc. was incorporated in 2007. Since 2007 it has operated a business of the type offered in this Disclosure Document but known as Agape Home Care of Kalispell at 40 Appleway Drive, Kalispell, Montana 59901. Agape Home Care, Inc. opened a second location in Florence, Montana in May of 2022 (known as Agape Home Care of Missolua/Bitterroot Valley.) We incorporated in Montana on August 30, 2018. We are at the same address. Our mailing address is P.O. Box 10097, Kalispell, Montana, 59904. Our agent for service of process is Inga J. Lake at 750 Lost Creek Drive, Kalispell, Montana, 59901. Additional agents for service of process are listed in Exhibit H. We do not have a predecessor in the sense of an entity we acquired most of our assets from.

We grant franchises for EPAGA Home Care businesses which provide non-medical in-home care services to patients of all ages and care requirements or needs. The franchise is for a single EPAGA Home Care business. We have not offered franchises in any other business. Our affiliate has not offered franchises in any business. Nothing restricts them or us from offering franchises in any business.

Your franchised business will use a system we developed. A franchised EPAGA Home Care business is independently owned and operated by you. It operates under the name EPAGA Home Care and other related trade names, service marks, logos and commercial symbols (the "EPAGA Marks"). It offers to individuals or families ("Clients"), personal, non-medical assistance, typically assistance in some combination of bathing, dressing, grooming, hygiene, toileting and sometimes meal preparation, light housekeeping, medication reminders and errands. You are not permitted to offer, whether as part of or separate from the franchised business, medical services or any services requiring a professional license or government consent, or services which are or become restricted or prohibited by applicable law, which could include some of those mentioned above, unless you get the required government license or authorization and get our written consent.

The market for services you will provide continues to develop and evolve. Clients have many alternatives for non-medical in-home personal care including competition from home care agencies, independent and franchised providers, social service organizations, and alternatives such as getting assistance from family and friends. You may compete with local and national companies that provide companionship and personal care services.

You must comply with federal, state and local laws, including but not limited to any licensing or regulatory requirements that may apply to your Franchised Business, for example, any that pertain to providing personal care. Generally, state healthcare departments establish license requirements. Some states have no license requirements for in home personal services, other than requiring a business license. Some states have more regulations and requirements that must be met. The cost and difficulty of obtaining licenses, and procedures to do so, vary from state to state. State licensing requirements and regulations may be modified, amended or expanded at any times, which could result in additional costs, regulatory compliance burdens and limitations on the services you may offer.

So far as we are aware at the issuance date of this Disclosure Document, Montana does not have a regulatory entity specifically for non-medical, in-home personal care services. Individual payer sources such as Montana Department of Health and Human Services and Montana Veterans Affairs may have authority over programs in which non-medical, in-home personal care services are provided. Other agencies, such as the Montana Department of Justice, Office of Consumer Protection, may have authority to enforce general laws, consumer protection laws and other laws. You must investigate, find out and comply with the legal requirements that apply to your business in the area(s) where you operate.

You must comply with federal, state and local laws regulating businesses generally, such as laws and regulations on health, privacy, sanitation, insurance, no-smoking, safety, hygiene, social distancing, avoidance of unlawful discrimination, employment laws, minimum wage laws, and laws against sexual harassment. In some states, your franchise could possibly be deemed to be an employment agency and require compliance with laws regulating employment agencies.

Some states have laws that prohibit sharing a professional fee earned by a health care provider for providing a health care service with someone that does not provide the same type of health services. Sometimes, these statues prohibit otherwise legitimate business arrangements. Some states prohibit compensation arrangements when the amount received for furnishing space, facilities, equipment or personnel services is based on a percentage of, or depends on, income or receipts of the licensed professional. Some states prohibit fee splitting based on referrals.

Some states have laws that prohibit payment for referrals and other kickback arrangements. Some states prohibit referrals for health care services provided by or through licensed health care workers to an entity outside the health care worker's office or a group practice in which the health care worker or a relative is an investor, unless the health care worker directly provides health services within the entity and will be personally involved with the provision of care to the referred patient

Federal laws prohibit certain activities and arrangements relating to services that are reimbursable by Medicare or Medicaid. The False Claims Act imposes liability on anyone who makes a false or fraudulent claim for payment to the government. The Social Security Act's Antikickback Amendment prohibits the offer, payment, solicitation, or receipt of any form of remuneration in return for referral of Medicare or state health program patients or patient care opportunities, or in return for the recommendation, arrangement, purchase, lease, or order of items or services that are covered by Medicare or state health programs.

ITEM 2: **BUSINESS EXPERIENCE**

President: Kevin Lake

Since 2007, Mr. Lake has been President of Agape Home Care, Inc. Mr. Lake has been a Member and our President since we organized on August 30, 2018. From 2005 to 2017, Mr. Lake co-owned, with his wife Inga Lake, Superior Sled & Cycle in Kalispell, Montana.

Vice President: Inga J. Lake

Since 2007, Mrs. Lake has been Vice President of Agape Home Care, Inc. Mrs. Lake has been a Member and our Vice President since we organized on August 30, 2018. Mrs. Lake co-owned Superior Sled & Cycle in Kalispell, Montana from 2005 to 2017.

Secretary: Julie Brubaker

Since 2007, Mrs. Brubaker has been Secretary of Agape Home Care, Inc. Mrs. Brubaker has been a Member and our Secretary since we organized on August 30, 2018.

ITEM 3:
LITIGATION

No litigation is required to be disclosed in this Item

ITEM 4:
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5:
INITIAL FEES

You pay us an initial franchise fee of \$39,500 when you sign the Franchise Agreement. This amount is deemed to be fully earned by us when paid and is not refundable. However, if we terminate the franchise because we determine that you and your manager are not likely to be able to be qualified, then we will return the initial franchise fee that you paid, less 20% (\$7,900) which we may retain on account of our costs and expenses.

ITEM 6:
OTHER FEES

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Royalty	6% of Gross Revenue or \$50 per week (whichever is greater)	You pay each Wednesday for Gross Revenue of week ended prior Sunday.	Gross revenue is all revenues and receipts of your franchised business, but not sales tax.
Brand Fund	3% of Gross Revenues or \$25 per week (whichever is greater)	You pay the same time and manner as Royalty	You contribute to the Brand Fund
Local Advertising	2% of Gross Revenues	Monthly	You pay to suppliers of advertising.
Cooperative Advertising	Set by majority vote of co-op members, up to 3% of Gross Revenue.	Monthly	Contributions will be additional to required contributions to Brand Fund. Contributions count toward local advertising requirement.
Tech Fund	Up to 3% of Gross Revenue	Weekly	You pay us a weekly Tech Fund fee at a rate we set, up to 3% of gross revenue. At the issuance date of this Disclosure Document, we do not charge this fee. We may charge this in the future. You will be given 6 months' notice before being charged this fee. Funds will be used for development of technology that is proprietary to EPAGA Home Care such as scheduling apps, online training modules, etc.

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Tech Access	\$50 per user, per month	Monthly with royalty and brand fund payment	Tech access covers IFX Intranet fees, Phone and Fax Number and email address with Microsoft 365 access. Fees are \$50 per user per month
Insurance	Amount of premium and charge for our expenses	On demand	If you don't obtain/maintain required insurance, we can obtain some or all the insurance. You pay charges and expenses we incur.
Inspection/Audit	Amount understated or underpaid, cost of audit and 1.5% per month interest.	On demand	You pay the amount of any understatement or underpayment shown by our inspection or audit and interest. If understatement or underpayment was 2% or more for any period, you also pay our inspection or audit cost.
Conferences	Up to \$450 for each attendee	Prior to Conference	For mandatory conferences, meetings, events we arrange, you will not be required to pay a fee. For optional events, you may be required to pay a fee. Currently the fee would not exceed this amount for an event up to 3 days. You pay travel and living expenses and wages for you and your personnel.
Support Line	\$50 per month	Weekly or other frequency	If we provide a toll-free support line and information database, you pay our then-current fee for these services. Currently we estimate it won't exceed this amount per month.
Call Center	Allocable share.	Weekly or other frequency	If we establish a call center, we may require franchisees to share the cost.
Us Operating Your EPAGA Franchised Business	\$500 per day	As needed	We may operate your Franchised Business if you are absent, die, incapacitated or breach and in our judgment are unable to operate. Monies received will be kept in a separate account and expenses will be charged to and paid from that account. You also pay us this per diem charge.
Late Payment Charges	1½% per month on unpaid amount	After due date	Applies to amounts not paid on time.
Supplier/Supplies Approval	Our estimate of our cost of inspection, evaluation and testing.	Time of inspection and testing	Applies to new suppliers or supplies you wish to purchase that we have not approved.
Transfer Fee (Franchise Agreement)	Ten percent (10%) of sale price but not less than \$10,000 or for transfer to a controlled corporation, \$2,500.	On your request to transfer your Franchise Agreement	You pay this fee as part of a transfer of the Franchise Agreement.
Renewal Fee	You pay 20% of the then initial franchise fee we charge.	Before expiration of the term.	You pay this to enter into renewal franchise agreement.
Additional Training or Assistance	\$500 per day plus travel, lodging and meal expenses	Time of assistance	We provide initial training. We charge you at our discretion for our personnel if we provide additional training or assistance.
Indemnification; Defense Costs	All costs including attorneys' fees	On demand	You must indemnify, defend and hold us harmless You pay all costs and attorneys' fees. You reimburse our costs and attorneys' fees.

<u>Type of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Post-Term De-Identification	Varies	On demand	After termination, you must discontinue use of our Marks and trade dress. In the event of litigation, the party whose favor a judgment is entered shall be entitled to recover and the other agrees to pay, its reasonable attorney's fees and expenses, in addition to any award granted.
Damages for Termination	Avg. monthly Royalty Fees payable to us for prior 12 months times 24 or the number of months remaining until expiration of term, whichever is less.	Fifteen days after termination	It is impractical to determine the damages we would incur from termination of the Franchise Agreement. This liquidated damages provision is a good faith pre-estimate of the portion of the damages from loss of cash from Royalty Fees.
Guaranty	Varies	On breach of Franchise Agreement	Your owners personally guarantee and comply with all terms and are liable for performance and breach of Franchise Agreement.

All fees are uniformly imposed by and payable to us unless otherwise noted. Fees are non-refundable unless otherwise noted. Fees paid to third parties may be refundable based on your agreements with or policies of the third parties. If any government authority imposes a sales or other tax on royalty or other fees, we can charge you for and collect this tax from you. We can increase fees and charges set as an amount, for inflation or costs or other reasonable basis.

ITEM 7:
ESTIMATED INITIAL INVESTMENT

You may incur the following estimated initial expenditures in the establishment of a Franchised Business. Factors regarding each expenditure category are described in the notes following the chart.

YOUR ESTIMATED INITIAL INVESTMENT
FRANCHISE AGREEMENT

<u>Type of Expenditures</u>	<u>Your Actual or Estimated Amounts</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment Is Made</u>
Initial Franchise Fee (1)	\$39,500	Cashier Check or Wire Transfer	On Signing Franchise Agreement	Us
Rent (2)	\$0 - \$6,000	As Arranged	As Arranged	Landlord
Utility Deposits (3)	\$0 - \$1,000	As Arranged	As Arranged	Utility Companies
Furniture & Fixtures (4)	\$0 - \$2,000	As Arranged	As Arranged	Approved Suppliers
Office Equipment/ Software/Supplies (5)	\$3,000 - \$6,000	As Arranged	As Arranged	Approved Suppliers
Tech Access (Internet, Intranet, phone and email) (6)	\$150 - \$450	As arranged	Before opening	Us
Insurance (8)	\$7,000 - \$22,000	As Arranged	As Arranged	Insurance Companies

Type of Expenditures	Your Actual or Estimated Amounts	Method of Payment	When Due	To Whom Payment Is Made
Training (9)	\$3,000 - \$6,000	As Incurred	As Incurred	Us, transportation lines, hotels, restaurants and your personnel
Advertising (10)	\$8,000 - \$12,000	As Arranged	On Signing Franchise Agreement	Approved Suppliers
Licenses/Permits (11)	\$500 - \$2,000	Lump Sum	As Arranged	Licensing Authorities
Professional Advisors (12)	\$3,000 - \$6,000	As arranged	As arranged	Professional advisors
Personnel Salaries (13)	\$0 - \$10,000	Payroll Check(s)	Weekly or bi-weekly	Your personnel
Add'l Funds/ Capital (14)	\$35,000– \$95,000	As Arranged	As Required	You Determine
Total (15)	\$99,150 - \$207,950			

Notes:

(1) Initial Franchise Fee. The initial Franchise Fee is \$39,500. This fee is not refundable.

(2) Rent. You may maintain a home office or lease office space. The low estimate of zero assumes you work from a home office. The high estimate assumes rent of as much as \$2,000 per month for an office of at least 600 square feet, that includes or has arrangements for a reception area and conference area. The estimate is for three months' rent with no lease security deposit.

(3) Utility Security Deposits. If you use an office at your residence, we assume there would be no deposits needed. If you rent office space, you may have to pay deposits to start electric service, internet, landline telephone and possibly other utilities.

(4) Furniture and Fixtures. The low estimate is for an office at your residence and assumes you already have furniture or for a rented office that is furnished. The high estimate is for rented office space in which you must obtain some furniture and possibly arrange for some modest work like installing shelving and painting. If you choose more costly furniture or if more work is needed your costs could exceed our high estimate. These estimates assume no expense for leasehold improvements, signage or parking.

(5) Office Equipment, Supplies and Software. These estimates are for a telephone, desk, chairs, file cabinet, computer equipped to run QuickBooks, Microsoft Office, and scheduling software (currently WellSky Personal Care), printer/scanner/fax and various other office equipment and supplies like stationery and other writing supplies. The low and high estimates include monthly license fees from WellSky for up to 40 customers and the purchase of all equipment and supplies.

(6) Tech Access (Intranet/Internet, Phone and Email.) You pay \$50 per user per month for IFX intranet access, phone and email service. You will incur some fees for integration of a local page concerning your location on our website. You will incur charges for web hosting and internet

service. The low estimate is for one user per month for 3 months and the high estimate is for 3 users per month for 3 months.

(7) Insurance. Before opening your Franchised Business, you must obtain the following insurance from carriers with an A.M. Best Rating of at least A-VII, admitted in the state where your Franchised Business is located: (1) comprehensive general liability \$1 million per occurrence and \$3 million aggregate, also including sexual misconduct; (2) professional liability at least \$1 million per claim and \$3 million aggregate; (3) employment practices liability insurance at least \$1 million; (4) workers' compensation or other employer's liability at least \$1 million; (5) automobile liability coverage including owned, non-owned or rented/hired vehicles at least \$1 million; (6) property insurance to cover 100% replacement cost of all build-out, furniture, fixtures, equipment and inventory, including flood and/or earthquake insurance where applicable; (7) third party crime coverage of at least \$10,000; (8) cyber liability at least \$1 million covering first and third party cyber claims, including ransomware and social engineering for \$100,000; (9) business income and extra expense coverage at least \$300,000; and (10) any insurance required by statute or rule where your Franchised Business is located. Each liability policy must name us and our members, managers, directors and employees as additional insureds and provide us 30 days' notice of material modification, cancellation, expiration or renewal. Policies must not have any exclusion for claims between insureds. All policies must be primary and non-contributory to any insurance we may carry and provide a waiver of subrogation in our favor. You must maintain all required policies in force during the entire term of the Franchise Agreement. We reserve the right to require you to maintain coverage for up to 2 years post termination on any insurance policy. You must comply with our exercise of this right. A certificate of insurance is required 30 days before you open your Franchised Business. The lower estimate represents a less expensive package of insurance or a quarterly payment of an annual premium. The higher figure represents an approximate annual premium and assumes you pay in full in a lump sum. It is possible to purchase additional insurance or more costly insurance and thus to exceed the high estimate.

(8) Training. You arrange transportation and pay for meals and lodging for you and your personnel who attend our training. You pay your personnel during training. The amount will depend on distance you travel, type of travel and lodging you choose, and rate of compensation. You come to our headquarters or other location we designate for approximately 5 days. The low estimate assumes aggregate expenses of about \$300 per day and the high estimate assumes aggregate expenses of about \$600 per day for travel, food, lodging and compensation for about 10 days.

(9) The Franchise Agreement requires you to spend at least \$6,000 on grand opening advertising and requires you to spend 2% per month of gross revenues on local advertising. The estimates assume you will advertise in some combination of local newspaper, radio, tv, outdoor signage, yellow pages, internet, social media, network marketing, chamber of commerce, e-mail and community education outreach. Some of these involve charges and some can be conducted at minimal out of pocket cost. All your local advertising is subject to our prior approval. This estimate also includes charges for about three months for dues and memberships such as a local chamber of commerce, and for local advertising for client and caregiver recruitment.

(10) Licenses/Permits. These are estimated costs of local licenses and permits.

(11) Professional Advisors. You should consult professional advisors like a lawyer and accountant.

(12) You will have expenses for personnel salaries and related taxes. The low estimate assumes you will work for your company from the start of operations without paying yourself a salary. The

high estimate assumes you will have one person working for your company about 40 hours per week earning about \$20 per hour. If you have more than one person, or pay more or have the person work more hours your expense for this will exceed the high estimate.

(13) Working Capital. We considered that some time will be needed to generate revenue and the possibility of unexpected expenses. You may need additional working capital if business is slow or costs are high. We relied on our officers' experience of more than 12 years, who worked with a consultant in developing these estimates. You should review these estimates carefully with a business advisor before making any decision to purchase the franchise.

(14) Totals. Your actual costs may vary significantly from the estimates in this Item 7. You should review these figures carefully with a business advisor before making any decision to purchase an EPAGA Franchised Business. The Item 7 chart is only an estimate of initial start-up expenses. You may have additional expenses, or other categories of expenses. These could be significant. You should not plan to draw income from operations during the start-up and development stage of your franchise, which could exceed three-months. You should plan to have reserves to cover other expenses, losses or unanticipated events during the start-up and development stage or beyond. We relied on our officers' experience of more than 16 years in reaching these estimates. Generally none of the expenses in this table is refundable, security deposits may be refundable and some of the premium may be refunded when an insurance policy is cancelled before its term ends. We do not provide direct or indirect financing.

ITEM 8: **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Premises.

You must operate from your home or from an office consented to by us.

Advertising

You must spend at least \$6,000 on a grand opening advertisement campaign over a period of about 12 weeks, which equates to about \$500 per week. You will, from approximately 6 weeks before the anticipated start of EPAGA Franchised Business through 6 weeks of operation, advertise and promote your EPAGA Franchised Business in a grand opening advertising campaign. This will be a campaign you prepare and submit to us for our approval.

Each month you must spend at least 2% of gross revenue on local advertising and promotion, which may include internet advertising. On our request, you must provide us verification of all expenditures for local advertising, including detail and proof we may require.

You must participate in promotion and marketing programs we establish.

You must cooperate and when we require participate in additional programs we establish and designate, including coupons, smartphone, tablet and other mobile device applications, rewards and loyalty programs, and other programs, and comply with our rules and regulations.

You must use for your advertising and promotion only materials, concepts and programs provided by us or approved in advance by us. For any proposed materials we have not approved, you must submit the materials for our review. We have 10 days to notify you if they are approved. Unless we provide approval, they are not approved. Any advertising materials you submit to us

become our property, and we may use or distribute these in any way we deem appropriate, including use by other franchisees, without compensation to you.

Insurance

Before opening your Franchised Business, you must obtain the following insurance from carriers with an A.M. Best Rating of at least A-VII, admitted in the state where your Franchised Business is located: (1) comprehensive general liability \$1 million per occurrence and \$3 million aggregate, also including sexual misconduct; (2) professional liability at least \$1 million per claim and \$3 million aggregate; (3) employment practices liability insurance at least \$1 million; (4) workers' compensation or other employer's liability at least \$1 million; (5) automobile liability coverage including owned, non-owned or rented/hired vehicles at least \$1 million; (6) property insurance to cover 100% replacement cost of all build-out, furniture, fixtures, equipment and inventory, including flood and/or earthquake insurance where applicable; (7) third party crime coverage of at least \$10,000; (8) cyber liability at least \$1 million covering first and third party cyber claims, including ransomware and social engineering for \$100,000; (9) business income and extra expense coverage at least \$300,000; and (10) any insurance required by statute or rule where your Franchised Business is located. Each liability policy must name us and our members, managers, directors and employees as additional insureds and provide us 30 days' notice of material modification, cancellation, expiration or renewal. Policies must not have any exclusion for claims between insureds. All policies must be primary and non-contributory to any insurance we may carry and provide a waiver of subrogation in our favor. You must maintain all required policies in force during the entire term of the Franchise Agreement. We reserve the right to require you to maintain coverage for up to 2 years post termination on any insurance policy. You must comply with our exercise of this right. A certificate of insurance is required 30 days before you open your Franchised Business.

If you don't obtain and maintain all required insurance, we can get all or part of the insurance or comparable coverage that we are able or choose to obtain. You pay to us the charges for the insurance and a reasonable administration fee.

Goods and Services

We'll provide you a list of certain approved suppliers and products for your EPAGA Franchised Business. For some items you may be required to purchase from and use approved suppliers and/or products. For some items we could designate ourselves as an approved supplier or as sole approved supplier.

If you propose to use or obtain items or services not approved by us, or from a supplier not designated by us as an approved supplier, you must request our approval and submit specifications, photos, samples and other information we request. We will determine if the item, service or supplier meets our specifications and standards and notify you if you are authorized to use the proposed product or service or supplier. We may assess as a fee our estimate of our costs for the review. Suppliers may offer or be willing to pay reasonable rebates or other consideration to us. We will have the right to receive and retain such rebates or other considerations as our own property and funds, without obligation to account and without other restriction.

All other inventory, products, materials and other items and supplies used in operating your EPAGA Franchised Business, which are not specifically required by us to be purchased according to lists we provide, must meet specifications and quality standards we establish.

Software

We currently use WellSky Personal Care, a scheduling and payroll software, as well as QuickBooks. We require you to acquire licenses and use this and other software we specify. You will pay for the license directly to WellSky Personal Care, QuickBooks and other suppliers. As of the issuance date of this FDD, the license fee for WellSky Personal Care is currently \$420 per month for up to 40 clients. Exact license fees will be provided by WellSky Personal Care when you sign up,

Other Matters Regarding Sources of Products and Services

Our officers do not own an interest in any supplier. We could designate supplies or products from companies that are publicly traded. Any of our officers could own stock in publicly traded companies.

We are not obligated to make our criteria for approving suppliers available to you.

We do not have any purchase arrangements with suppliers.

We could in the future seek to negotiate group rates for purchases of products and materials with suppliers in our discretion. We have not done so yet.

There are no purchasing or distribution cooperatives at this time.

We currently estimate that less than 5% of your expenditures for leases and purchases in establishing your EPAGA Franchised Business and less than 5% of your ongoing operational expenditures will be for goods and services for which suppliers must be approved by us, or which must meet our standards or specifications.

We do not provide or withhold material benefits to you (like renewal rights or the right to open additional EPAGA Franchised Businesses) based on whether or not you purchase through the sources we designate or approve. But purchases of unapproved products or services or from unapproved suppliers violates the Franchise Agreement, for which we could terminate the Franchise Agreement and seek damages.

We do not derive revenue from your purchases from approved or designated suppliers other than as stated above.

ITEM 9: **FRANCHISEE'S OBLIGATIONS**

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

	<u>Obligation</u>	<u>Section in Franchise Agreement</u>	<u>Disclosure Document Item</u>
a.	Site selection and acquisition/ lease	15.3	11(a)6
b.	Pre-opening purchases/leases	n/a	8
c.	Site development and other pre-opening requirements	n/a	n/a

	<u>Obligation</u>	<u>Section in Franchise Agreement</u>	<u>Disclosure Document Item</u>
d.	Initial and ongoing training	11.3, 11.4, 11.5, 22.5	11
e.	Opening	15.4	11(b)3
f.	Fees	XIV, Secs. 10.3.6, 11.5, 11.7, 11.8, 11.9, 14.2, 15.6, 22.6	7
g.	Compliance with standards and policies/operating manuals	11.1, 11.6, 12.1, 12.4, 15.2.	11(a)2
h.	Trademarks and proprietary information	XIII	13 and 14
i.	Restrictions on products/services offered	9.2 and 15.13	8 and 16
j.	Warranty and customer service requirements	n/a	n/a
k.	Territory development and sales quotas	n/a	n/a
l.	Ongoing product/service purchases	15.16	8 and 11
m.	Maintenance, appearance and remodeling requirements	n/a	n/a
n.	Insurance	XVI	6, 7(8) and 8
o.	Advertising	XVII	6, 8 and 1
p.	Indemnification	19.1-19.2, 19.4, 22.6	6 and 17
q.	Owner's participation/ management/ staffing	15.7-15.8	15
r.	Records and reports	15.19, 18.2, 18.3	15
s.	Inspection and audits	13.5, 15.18, 18.4	6
t.	Transfer	XXII	6
u.	Renewal	X	6
v.	Post-termination obligations	13.9, 21.2, XXIV	6 and 17
w.	Non-competition covenants	XXI	14 and 17
x.	Dispute resolution	XXVI	17

ITEM 10:
FINANCING

Neither we nor any agent or affiliate of ours offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

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

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

(a) Our Obligations Before You Start Operating the EPAGA Franchised Business:

1. Provide initial training to you and up to one additional owner or employee for a maximum of 2 trainees. (Franchise Agreement Section 11.3) More information on the training is provided below in this Item 11.

2. Loan you or provide electronic access to our Confidential Operating Manual. It will contain specifications, standards, operating procedures and rules for EPAGA Home Care franchised business and information relative to your obligations. We can add to and modify the Manual. You must keep the manual confidential. (Franchise Agreement Section 11.1.1). You must operate your EPAGA Franchised Business in compliance with the Franchise Agreement and Manual.

You alone will exercise day-to-day control over all operations, activities and elements of the EPAGA Franchised Business, including over your employees.. The various requirements, restrictions, prohibitions, specifications and procedures of the system with which you must comply under the Franchise Agreement and the Manuals do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your EPAGA Franchised Business but only constitute standards to which you must adhere when exercising your control over the day-to-day operations of your EPAGA Franchised Business consistent with our policies. (Franchise Agreement. Section 15.7)

3. Provide you lists of approved manufacturers, suppliers and distributors and approved inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate your EPAGA Franchised Business. The lists will specify manufacturers, brand names, suppliers and distributors and inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and services we approve. We can revise these lists. For some or potentially all products or services we could designate ourselves or our affiliate as an approved supplier or the sole approved supplier. (Franchise Agreement Section 15.16) We don't purchase, deliver or install items for you.

4. You must develop a grand opening advertising campaign to promote opening of your EPAGA Franchised Business. You will advertise and promote your EPAGA Franchised Business in the period approximately from 6 weeks before the anticipated opening through about 6 weeks of operation according to a grand opening campaign you'll provide for our approval. (Franchise Agreement Section 17.7.) You must place and maintain an advertisement in at least one internet-based yellow pages resource. The content and placement will be subject to our approval (Franchise Agreement Section 17.13.)

5. You must start to operate your EPAGA Franchised Business within 90 days after signing the Franchise Agreement. (Franchise Agreement Section 15.4) Factors that may affect this length of time include (if you do not work from home) obtaining a location for your office that meets our approval, completing our initial training, availability of equipment, products and supplies and any other circumstances, some beyond ours or your control, that could cause delay.

(b) Our Obligations to You After You Start Operating:

1. We will administer the Brand Fund and approve advertising you create for your local use (Franchise Agreement Section 17.8.)

2. We will make goods and services available to you either directly or through approved suppliers. (Franchise Agreement Section 15.16).

3. We provide additional and remedial training programs for new or replacement supervisory or managerial personnel (Franchise Agreement Section 11.4.8.)

4. You agree to use our designated vendor to construct, host and maintain the website for your Franchised Business. You agree to provide the vendor with information necessary to update the website. You agree to pay the vendor's then-current maintenance fee and sign the vendor's website contract (Franchise Agreement Section 17.3.)

5. We can develop a restricted intranet website for convenience of us, our franchisees and other parties we designate. We can post the Manual and other communications on this intranet or other website. You agree to monitor and visit the site as often as we request, to check for updates to the Manual and other communications regarding standards, specifications, procedures and other matters. Passwords or other digital identifications necessary to access the Manual on the site will be deemed to be part of the Confidential Information (Franchise Agreement Section 11.1.2.)

6. We conduct or arrange conferences, seminars, meetings of franchisees. These could be for training, to discuss developments, operational techniques, service developments, bookkeeping, accounting, advertising, new services or procedures or other matters. We can specify that attendance is mandatory. For mandatory events you will not be required to pay a conference fee. For optional events, you may be required to pay a fee. You pay all travel and living expenses and wages for you and any personnel who attend. Conferences may be at a location we designate. (Franchise Agreement Section 11.8)

7. We can, in our discretion, provide a toll-free support line and information database. If we elect to provide these, you agree to pay our then-current fee for these services. (Franchise Agreement Section 11.9).

8. We reserve the right to establish a call center to receive and relay inquiries. If we establish a call center, we can require you to participate according to rules and procedures we may establish. (Franchise Agreement Section 11.10)

9. For each EPAGA business offering services similar to the Franchised Business, owned by us or our affiliate, the business will contribute to the Brand Fund similar to contributions required of franchises. Due to different agreements with different franchisees at different times, our contributions might not be the same amounts or according to the same formula as is required of you. (Franchise Agreement Section 17.9(g)).

(c) Advertising.

You may use your own advertising in the following circumstances: You must first get our written approval. You submit to us or our designated agency, for prior consent, all promotion materials and advertising you propose to use. If we don't respond within ten days with our consent or disapproval then the proposed advertising is not approved. (Franchise Agreement Section 17.1)

You must contribute an amount we specify, not exceeding 3% of the Gross Revenues to the EPAGA Brand Fund. You make these payments together with royalty payments. These payments will be credited toward amounts you must spend on local advertising, described below.

If and when we establish the Brand Fund, we or our designee will direct all advertising programs with sole discretion over the creative concepts, materials and media and their placement and allocation. We will administer the Brand Fund. The fund is intended to help develop general public recognition and acceptance of the EPAGA trademarks to benefit the system. We don't promise that the fund's expenditures will be equivalent or proportionate in some way or any way to

your contribution, nor that you or any franchisee will benefit directly or pro rata from placement of advertising by the fund.

Monies in the Brand Fund may be used to for a wide range of purposes, among them to maintain, administer, direct, produce and prepare promotions and advertising, costs of conducting public relations, advertising and producing promotion brochures and other marketing materials. These monies may be commingled with our other funds or kept in a separate account from our other monies.

The Brand Fund won't be used directly to solicit selling franchises or to defray our general operating expenses, except for reasonable administrative costs and overhead, not to exceed 20% of the amounts contributed to the fund, that we incur in activities reasonably related to the administration or direction of the fund and advertising programs including, without limitation, market research, preparing marketing and advertising materials and collecting and accounting for assessments for the fund.

We can terminate the fund. We won't terminate the fund until all monies in the fund have been expended for advertising and promotion or returned to franchisees, or arrangements to do so have been made. If terminated, we can restart the fund or a new Brand Fund.

An accounting of the Brand Fund will be prepared annually and made available to you following request. For periods when there are no requests, we can dispense with this accounting. We can elect to have any accounting include an audit. Preparation of accountings will be at the expense of the Brand Fund. (Franchise Agreement Section 17.9)

Each month, you must spend at least two percent (2%) of Gross Revenues on local advertising. This can include internet advertising approved by us. Upon request, you must provide us accounting of your expenditures. (Franchise Agreement Section 17.5)

We can establish regional advertising cooperatives in one or more areas having multiple EPAGA Businesses. You must participate in and contribute to the cooperative according to rules and procedures determined by a majority of its members. Your contributions will be additional to required contributions to the Brand Fund, but will be credited toward your required expenditures for local advertising. We can require that the organizational documents (articles of incorporation and bylaws or the like) and operating procedures be consented to by us. We can participate in deliberations of the cooperative and veto any decision we object to or consider detrimental to the interests of the system. We can require cooperatives to be formed, changed, dissolved or merged. (Franchise Agreement Section 17.10)

At the effective date of this Disclosure Document, we have not established the Brand Fund, so no monies were contributed to a fund and no fund monies were used in the most recent year. We are not required to spend any amount on advertising in any particular area or at all. There is no council of franchisees that advises us on advertising policies.

(d) Website and Internet.

We can, but are not obligated to, establish one or more websites to advertise, market and promote the EPAGA brand and/or EPAGA Businesses, and/or the EPAGA Business franchise opportunity. You must not maintain an internet website or otherwise maintain a presence or advertise on the internet or other computer network without our prior written consent. We will establish your Internet domain name and website, which will at our discretion, be a page or portion

within our website, or a website separate from our website with a distinct domain name. We will have sole authority to establish the domain name and website. You agree to assist us in customizing the website for your Business. We have the rights for us or our designee to own the website and domain name for your Franchised Business, edit its contents and/or suspend its accessibility in whole or in part. (Franchise Agreement Section 17.2.)

If we grant you a right to operate a separate website and/or a splash page, maintain an internet presence or presence through any social networking site, you must do so according to our standards and policies in the Manual or otherwise in writing from time to time. We can modify or supplement our policies regarding social media and internet use at any time in writing, whether as part of the Manual or otherwise.

(e) Computer Hardware/Software.

We may specify computer hardware/software and peripheral equipment that you must obtain or we may set forth minimum specifications for computer hardware and peripheral equipment that you must obtain. We can require you to use software we specify.

We have designated/approved the WellSky Personal Care Software, IFX Intranet software and QuickBooks for use in EPAGA Franchised Businesses.

We can require you to pay to us and/or to third party suppliers, recurring and/or nonrecurring fees for hardware and/or software. Currently the software we require you to use is WellSky Personal Care for scheduling, IFX Intranet software and QuickBooks. We can change the required software. We can require you to update the software. (Franchise Agreement Section 11.7)

You shall (at your sole cost and expense) update and modify the computer hardware/systems to meet changes made from time to time in our specifications. (Franchise Agreement Section 15.12)

(f) Manuals. The table of contents for the Manual is attached as Exhibit F to this Disclosure Document. (Franchise Agreement Section 11.1)

(g) Training.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Virtual Orientation and Pre-Visit Training: EPAGA Accredited Caregiver Training	14	0	Your Location and our Headquarters, Kalispell, MT
IFX Webinar	.5	0	Your Location
Business 101	2	0	Your Location
Introduction and Philosophy of EPAGA Home Care, 3-2-1 Launch, Leadership training	6.5	0	Headquarters, Kalispell, MT
Finance: A/R, A/P Payroll, Billing,	6	0	Headquarters, Kalispell, MT
Franchisee Reporting, KPI's, Coaching & Franchisee Support	2	0	Headquarters, Kalispell, MT

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Caregiver: Morning Routine, Human Resources, WellSky-Caregiver Applications	6.5	0	Headquarters, Kalispell, MT
Marketing and Customer Service: Marketing and Sales Origin Stories, Marketing and Advertising, How to Get and Keep your Clients, Process a Client from Start to Finish, Mock Home Visit	7.5	0	Headquarters, Kalispell, MT
Home Visit, Media Training, Podcast Interview and Review	4	0	Headquarters, Kalispell, MT
On Site (1-3 months after opening)		8-24	Your location
Total	49	8-24	

You must complete our initial training program at our headquarters or other location(s) we designate. The training program will include training regarding operational, management and marketing pertaining to the System. The Training Program will be offered to you and one additional owner or one additional employee(s), for a maximum of 2 trainees. If you are a corporation, limited liability company, partnership or other entity, then the Training Program must be completed by a shareholder owning at least 50% of the issued and outstanding shares of the corporation, or its chief executive officer, or, for a limited liability company, by a holder of at least 50% of the membership interests, or, for a partnership, by a holder of at least (50%) of the partnership's equity. We may waive or modify all or some training requirements for any personnel we determine, in our discretion, already has skill, experience and/or training necessary to operate in accordance with the System.

We schedule initial training as needed. Training will be at or near our headquarters in Kalispell, Montana, or other place we designate. The training may include classroom or on-the-job training, self-study online, webinar or other telecommunications, review of videos or other materials, or a combination of these. We don't charge separately for training. You pay all travel, living and compensation expenses of your personnel. We don't pay you or your personnel even if some of the training involves working and performing service for a Client.

Training will be supervised by Inga J. Lake and Julie Brubaker, whose experience is detailed in Item 2. The instructional materials for the initial training program will consist of the EPAGA training manual.

If we determine that you or any of your managers, in our opinion, is not qualified (or is no longer qualified) to act as manager, and if we determine in our judgment that you are and your manager are not likely to be able to be qualified, we may terminate this Agreement. On termination under this Section, we will return the initial franchise fee that you paid, less twenty percent (20%) which we may retain on account of our costs and expenses.

ITEM 12: **TERRITORY**

We assign you a specific geographic area ("Protected Area") to operate your EPAGA Franchised Business that we will designate in your Franchise Agreement. During the term stated in your Franchise Agreement and so long as you are in full compliance with all Agreements, we will not grant another franchisee a territory that overlaps any portion of the Territory; or authorize

any other party to open an EPAGA Franchised Business using the EPAGA Marks, in your Territory. We anticipate designating your Territory based on zip codes or other agreed boundaries. We anticipate using a combination of population information, driving distances and political boundaries to determine the zip codes and/or boundary lines of your Territory.

Regardless of the above, we reserve several rights. We reserve the rights to:

- (a) own and control the Proprietary Properties;
- (b) grant franchises to others, whether similar to or different from the franchise granted by this Agreement, anywhere;
- (c) engage without limitation in each and every aspect of the business of selling related services, products and equipment;
- (d) offer to the public separately, jointly or with others, all related services and/or products of every type and kind; and in doing so, to use the Proprietary Marks, Copyrights, and Know How.
- (e) establish, operate and/or license others to establish and/or operate franchised businesses at any locations outside the Territory, but not to knowingly grant another franchisee a territory that overlaps with any portion of the Territory.
- (f) establish, operate, and grant rights to others to establish and operate, Franchised Businesses and other similar or different businesses at any locations and on any terms we deem appropriate outside the Territory;
- (g) develop and establish other business systems, which could include systems that distribute products or services similar to those offered at Franchised Businesses, using names or marks other than the Proprietary Marks, whether within or outside the Territory, and to grant licenses to use those systems;
- (h) offer any products and related services identical or similar to, or different from, those your Franchised Business sells, whether identified by the Proprietary Marks or other trademarks or service marks, through any distribution channels we think best (including the Internet), wherever located or operating;
- (i) permit our franchisees operating Franchised Businesses at any locations to provide in-home care services in any of their Clients' homes located anywhere in the world, which could include in the Territory;
- (j) advertise and promote the System in any or all areas, including the Territory, as we determine appropriate;
- (k) purchase or otherwise acquire assets or minority or controlling ownership of businesses identical or similar to the Franchised Business, and/or franchise, license, and/or similar agreements for such businesses, some or all of which might be in or near the Territory;
- (l) be acquired, regardless of the form of transaction, by a business identical or similar to EPAGA, even if the other business operates, franchises and/or licenses competitive businesses in or near the Territory; and

(m) engage anywhere in any business activities not expressly prohibited by this Agreement.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

You must maintain 1 or more offices within the Territory from which you will operate the EGAPA Business. You may only provide the services authorized by the Franchise Agreement from an office location in the Territory, and only to Clients located in your Territory. You must use our plans, procedures, trade names and service marks within the Territory.

Continuation of your territory does not depend on achieving a certain sales volume or market penetration or other contingency, but does require you to remain in compliance with the Franchise Agreement.


We do not have a specific plan for resolving conflicts between you and Agape Home Care, Inc. We do not anticipate any such conflict and would address any such conflict based on its own circumstances, if it occurred.

You do not receive any right of first refusal or other right to acquire additional franchises.

ITEM 13:
TRADEMARKS

We will grant you the right to operate a franchised non-medical, in-home care business under the name "EPAGA" and other marks we may authorize you to use.

Our affiliate, Agape Home Care, Inc. ("AHC") has the following trademark registration on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

MARK	REGISTRATION NUMBER	REGISTRATION DATE
EPAGA	Reg. No. 5910066	November 12, 2019
	Reg. No. 6094549	July 7, 2020
PROVIDE CARE. BRING JOY.	Reg. No. 6573387	November 30, 2021

A license from AHC lets us use and franchise you to use the marks. The license has no set term and can be terminated by either party at any time. Because AHC is our affiliate, we do not expect they would terminate the license at any time that would be disruptive to us. Under the license, franchises granted prior to termination may continue to use the marks for the rest of their franchise term and any renewals. Other than this license and franchise agreements we enter into, no other agreement materially limits our right to use or license the use of the marks.

There are currently no effective material determinations of the USPTO, Trademark Trial and Appeal Board, the trademark administrator of this state or any court; pending infringement, opposition or cancellation; or pending material litigation involving the marks.

We are not aware of anyone having superior rights in the mark “EPAGA” or any infringing use or anyone making a claim regarding our use, that could materially affect the use of the marks in this state or any state in which the franchised business will be located.

As between you and us, we own the trademarks. Your right to use the marks comes only from the Franchise Agreement and is limited to conducting business pursuant to and in compliance with the Franchise Agreement. All your use of the marks and goodwill established by that use is for our benefit and does not confer in you any goodwill or other interest in the marks. You must not ever contest the validity or ownership of any of the marks or help anyone else to do so.

You must not use any of the marks or portion of any mark as part of a corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols or any modified way. You must not use any of our marks in selling any unauthorized product or service or in any way not expressly authorized in writing by us. You must give notices of trademark and service mark registrations as we specify. You must obtain fictitious or assumed name registrations as required by law.

You must promptly notify us of any claim, demand or cause of action based on or arising from someone else using our marks or imitation of our marks. You must notify us of any action, claim or demand against you relating to our marks within 3 days after you find out.

After we receive timely notice from you, we will have the right, but not the duty, to defend any such action. We can contest or bring action against a third party regarding their use of any of the marks. In the defense or prosecution of any litigation relating to the marks or parts of our system, you must cooperate with us and sign any documents and take actions that we ask.

If we think it advisable to modify or stop using any mark, and/or use one or more additional or substitute names or marks or symbols, you must comply with our direction to do so. We won't be liable with regard to such modification or discontinuance of any mark.

There are no other agreements currently in effect which significantly limit our right to use or license the use of the Marks in any manner material to the franchise.

ITEM 14: **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

We do not claim to own any patent or registered copyrights which are material to the franchise. However, we claim common law copyright and trade secret protection for several aspects of our system, methods, techniques and operational procedures; products, product specifications, recipes, menus, design, décor, signage, manuals and all related materials including advertisement and promotion materials though such materials may not be registered in the Copyright Office. These materials are proprietary and confidential and are our property and may be used by you only as provided in your Franchise Agreement. We reserve the right to register any of our copyrighted materials any time we deem appropriate.

There are no effective determinations of the Copyright Office or any court regarding any materials as to which we claim copyright rights. There are no agreements in effect that significantly

limit our right to use or license the copyrighted materials. There are no infringing uses known to us, which could materially affect your use of the copyrighted materials in any state.

We may authorize you to use certain works we claim copyright rights to. These include the Operating Manual, advertisements, promotion materials, packaging, posters and signs and may include all or parts of the marks, software, trade dress and other portions of the system. These are our property.

If you develop any methods, specification, process, procedure, program, project, work of art or other materials in operating the EPAGA Franchised Business which we approve for use and/or sale in the business, it will be deemed to be a work-made-for-hire belonging to us, and automatically become our property. To the extent it is not deemed to be a work-made-for-hire, you assign all rights and ownership to us. At our request you must sign documents and take action we ask to enable us to secure all rights in us. If you don't, then we can sign and act on your behalf as your attorney-in-fact.

We will provide you proprietary, confidential and trade secret information. Any improvements you develop or customer lists and databases you obtain will be our proprietary information. Our trade secrets include methods, specifications, processes, procedures and/or improvements regarding an EPAGA Franchised Business, our system and any information that is valuable and secret in the sense that it is not generally known to competitors of us. You must maintain absolute confidentiality of all such information during and after the term of the franchise and must not use any such information in any other business or in any manner not specifically authorized or consented to in writing by us.

You may provide confidential information only to the extent and only to those of your employees who must have access to that information to operate the EPAGA Franchised Business.

The goodwill associated with all phone and fax numbers, email addresses, domain names and social media and other Internet addresses used in operation of the business is an asset that belongs to us. On cancellation, termination or expiration of the Franchise Agreement, you will be deemed to have assigned to us or our designee all right, title and interest in and to these and/or service associated with these. You must sign instruments we request to further confirm the assignments and transfers to us. On our request you must notify the phone companies, internet service providers, listing agencies, websites and others whom we request that you notify, of the termination, cancellation or expiration and transfer to us of all right to use of these and any regular, classified or other phone directory listing associated with the marks and give notice of making the transfer to us.

We will be entitled to obtain restraining orders and injunctive relief to safeguard our proprietary and confidential information.

Your owners, directors, shareholders, partners and employees having access to our confidential and proprietary information must sign Franchisor's form of Non-Disclosure and Confidentiality Agreement attached to this Disclosure Document as Exhibit C. You must submit a copy of each signed non-disclosure agreement to us on signing and submit annual updates to us listing those individuals having access to our confidential and proprietary information.

We can change, update or modify the system, adopt and using new or modified trade names, trademarks, service marks or copyrighted materials, new menu items, products, equipment, computers, technologies, techniques, marketing, promotion and any other aspects or elements.

We'll tell you of modifications through the Operating Manual or other means we select. You must comply with modifications we make. You must not modify or alter our system.

You must never, in perpetuity, divulge to any person or entity any information, trade secrets, and processes, used for our EPAGA Home Care business or any information stated in our Operating Manual.

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

You are responsible for the operation of your EPAGA Franchised Business. The EPAGA Franchised Business must always be under your direct supervision. You must devote full time and attention to managing and supervising all administrative and operational activities of the EPAGA Business.

If we consent to you assuming these responsibilities less than full time, you must employ and retain an individual who will be vested with authority and responsibility for day-to-day operations. We don't have to consent. The certified manager must: actively supervise and manage the EPAGA Franchised Business full time and devote full time and best efforts solely to operation of the EPAGA Franchised Business and no other business; meet our education, experience, and other criteria for the position; be an individual acceptable to us; and successfully complete the initial training program to our satisfaction.

If you are a business entity, you must designate a certified manager acceptable to us who will be principally responsible for communicating with us about the operational and other ongoing matters concerning the business. We can require you to have your manager agree to restrictions against diverting business or having an interest in a competitive business.

If you operate more than one franchise, you must personally divide at least a 40 hour work week among all the EPAGA Franchised Businesses you operate, and employ at least the number of certified managers for each EPAGA Franchised Business to meet our requirements for certified managers. We are not obligated to permit or consent to you operating more than one or any additional EPAGA Franchised Businesses.

You must supervise the operation of your EPAGA Franchised Business at all times. You must keep us informed at all times of the identity(s) of employee(s) acting as manager(s) of the EPAGA Franchised Business. If you select a substitute or additional supervisory or managerial personnel, you must make sure the supervisory or managerial personnel becomes a certified manager by successfully completing our initial training. If your supervisory or managerial personnel fails to complete the initial training, you must designate a new supervisory or managerial personnel to become a certified manager.

Employees you hire or employ will be your employees and your employees alone. They are not, for any purpose, to be deemed to be our employees, or subject to our direct or indirect control, most particularly with respect to any mandated or other insurance coverage, taxes or contributions, or requirements regarding withholdings, levied or fixed by any government authority. You will file your own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments for your employees and operations. Our authority under the Franchise Agreement to train and approve your supervisory or managerial personnel for qualification to perform certain functions for your EPAGA Business

does not directly or indirectly vest us with power or authority or right to hire, fire or control any of your personnel. You and you alone will be solely responsible for all hiring and employment decisions and functions relating to your EPAGA Franchised Business, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, including minimum wage compliance, personnel policies, benefits, recordkeeping, including authorization of persons to work in the United States, supervision and discipline of employees, regardless of whether you have received advice from us on these subjects or not. Any guidance we may give you regarding employment policies should be considered merely examples. You will be responsible for establishing and implementing your own employment policies and should do so in consultation with local legal counsel experienced in employment law.

ITEM 16:
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You will sell services and merchandise that are authorized by us as described in the Operations Manual. The services authorized by the Franchise Agreement may vary among franchisees based on market conditions, including the requirements of local laws and regulations that may restrict your ability to provide certain services within the Territory. We can change the goods and services that you must offer upon notice to you. There is no limit on the number or type of changes we may make. We can modify the EPAGA Franchised Business specifications and authorized goods and services at any time and for any reason that we believe will benefit the EPAGA Home Care business. We will notify you of all these changes in writing.

The entity you must form to operate the EPAGA Franchised Business may not engage in any other business activities, except for the operation of other EPAGA Franchised Businesses, if applicable. You may not use the EPAGA Office from which you operate the EPAGA Franchised Business for any other purpose without our prior written consent.

You may not maintain a Website or otherwise maintain a presence or advertise using any public computer network or in any channel of distribution not specifically identified in the relevant agreements with your EPAGA Franchised Business operations other than on the Website hosted by us or our affiliate.

We do not restrict the prices you may charge. Your operations must comply with all applicable laws. These include the laws described in Item 1. You must investigate which laws apply to your business. You are not allowed to market to or solicit customers located outside the territory of your franchise. You can conduct marketing on the Internet, such as through social media, that is directed to your territory. All such marketing is subject to our approval. We have the right to set policies, rules and restrictions on such marketing.

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

THE FRANCHISE RELATIONSHIP

The following tables list certain important provisions of the franchise agreement and the multi-unit development agreement. You should read these provisions in the agreements attached to this disclosure document.

FRANCHISE AGREEMENT

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
a. Length of the term of the franchise	10.1	Term is ten years.
b. Renewal or extension of term	10.2	You have the right, not the obligation, for up to two renewals, each for a 5-year term. You must be in full compliance and satisfy all conditions for renewal.
c. Requirements for you to renew or extend	10.3	You performed all obligations and are not in breach of the Franchise Agreement or other agreement with us and our affiliates; meet our standards and requirements in our then Franchise Agreement, all other agreements, training requirement, Operations Manual standards, provide information we request; satisfy all monetary obligations; sign general release; meet our qualifications; pay renewal fee of 20% of our then-initial franchise fee.
d. Termination by you	None	You do not have right to terminate before end of the term.
e. Termination by us without cause	None	We do not have a right to terminate the Franchise Agreement without cause.
f. Termination by us with cause	23.1 – 23.4	We can terminate the Franchise Agreement before the end of its term for breach or various other grounds.
g. "Cause" defined - curable defaults	23.3	For many kinds of breaches, you are allowed 30 days to cure. Some examples of curable breaches include failure to: pay third parties; provide financial or other information we request; operate according to the Franchise Agreement or Manual; or get our written approval if required. Other breaches include misuse of trademark or other intellectual property; participate in a business using a trademark similar to our Mark; let a violation of law go uncorrected; fail to obtain/maintain insurance; you or your manager is not qualified or is no longer qualified to act as manager; breach an agreement with us.
h. "Cause" defined - non-curable defaults	23.2	Bankruptcy, insolvency, assignment for benefit of creditors; receiver appointed; composition proceeding; judgment unsatisfied 30 days; dissolve; execution levied; foreclosure; property sold after levy; abandonment (failing to operate 5 days, or less if we think you don't intend to continue); charge, plea, conviction of felony, fraud, crime of moral turpitude, other offense or media attention we think may hurt reputation; misrepresentation; conduct hurting our reputation; fail to comply after notice of violation of law or regulation; repeatedly fail to comply with one or more requirements; two breaches in 12 months; non-curable breach; fail training; acquire similar business; unauthorized use or duplication; disclose confidential information; unauthorized transfer or sublicense; violate covenant not to compete; fail to start operating in agreed time; misrepresent, substitute or palm-off business with non-authentic services or products; false books, records, reports; violate law; fail to perform services or provide products for customers; assets blocked re terrorist activities or violation of anti-terrorism law
i. Your obligations on termination/non-renewal	XXIV	You must stop using our marks, know-how and copyrights, manual and system; cancel use of name; stop using phone numbers and social media; pay all sums owing to us and our affiliates. We have option but not obligation, to buy your Franchised Business. You must pay us liquidated damages equal to two years of royalties.
j. Assignment of contract by us	22.1	We can transfer Franchise Agreement, sell our assets, marks or system, merge, acquire other entities or be acquired, even if competitive with you and/or system, refinance, recapitalize, do a leveraged buyout or other restructuring. These can be with competitive or noncompetitive other party(s), regardless of effect on you.
k. "Transfer" by you – defined	22.2	An assignment or transfer, any actual or proposed transfer of ownership requires our prior written consent. Assignment, sale, transfer or other arrangement changing ownership of 50% is subject to these restrictions.
l. Our approval of transfer by you	22.2	You cannot assign or transfer without our written consent.

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
m. Conditions for our approval of transfer	22.3	Proposed assignee must apply; demonstrate skills, qualifications, licensing and economic resources to conduct the business and fulfill obligations to you and us; assume in writing all your obligations; you must have met all obligations to us under all agreements; proposed assignee must execute then-current Franchise Agreement, term will be our choice of remainder of term of your Franchise Agreement or term then being offered by us; you pay us a transfer fee (greater of 10% of sale price or \$10,000); assignee must complete our training; we are to receive all documents including proposed agreements for the transfer; you must execute a general release; proposed assignee must not be affiliated with a competitor; other conditions/requirements we reasonably set.
n. Our right of first refusal to acquire your business	22.8	We have right to buy the interest on the terms offered and accepted with a third party. You must inform us of all terms and other information on the proposed buyer with copy of agreement or proposed agreement. We have option for 30 days (or if we request more information, 30 days from receipt of the information), to purchase on those terms. We can elect to accept the transaction involving only the Franchised Business and not include other assets or property, adjusting the price accordingly.
o. Our option to purchase your business	24.8	On termination or expiration, we have option for 60 days to buy the Franchised Business. Price is lesser of: depreciated book value of tangible assets or fair market value of all assets less total of a) amount remaining or against secured assets; b) money owed by you to us and our affiliates; c) amount you or your Franchised Business is liable for which we will be liable for on acquiring the Franchised Business; and d) amounts advanced by us on your behalf. An appraisal is conducted if we don't agree on price.
p. Your death or disability	22.4	On your death or legal incapacity, transfer of your interest to heirs, legatees (etc.) is not a transfer and our first refusal is not triggered if heirs (etc.) meet our standards for new franchisee and agree to be bound by Franchise Agreement; within 90 days of death or incapacity and person designated by them completes our training. We can elect to operate the business during an interim period while the person is being qualified.
q. Non-competition covenants during the term of the franchise	21.1	You must not divert or attempt to divert business or customers to any competitor; have an interest or relationship with activities similar to those under the Franchise Agreement; offer services where a license or government consent is required separately from the Franchised Business and not offer such services without prior written consent from us.
r. Non-competition covenants after franchise is terminated or expires	21.2	For 12 months after expiration or termination, you must not own, or have other involvement in a business doing activities authorized under the Franchise Agreement that is located or operates within 100 miles of your premises or Approved Location; or within 100 miles of location of any EPAGA Franchised Business.
s. Modification of the agreement	26.14	Franchise Agreement can be modified only by written agreement between you and us. We can modify Operations Manuals and other aspects of System from time to time.
t. Integration/merger clause	26.15	The Franchise Agreement any other written signed by you and us is our complete agreement. Nothing in the Franchise Agreement or related agreement disclaims representations in this Disclosure Document. Any representations or promises outside the agreements and this Disclosure Document may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	Disputes not otherwise resolved are resolved by litigation.
v. Choice of forum	26.7	All claims, controversies, disputes or actions related to the Franchise Agreement or our relationship will be brought in United States District Court for Montana or state court of Montana in Flathead County, Montana.
w Choice of law	23.11	Montana law applies.

ITEM 18:
PUBLIC FIGURES

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

ITEM 19:
FINANCIAL PERFORMANCE REPRESENTATIONS

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

Other than the following financial performance representations, we do not make any representations about a franchisee’s future financial performance or past financial performance of company-owned, affiliate-owned or EPAGA Business. We do not authorize our employees or representatives to make any such representations either orally or in writing. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting our President, Kevin Lake, at Yaba, LLC, 40 Appleway Drive, P.O. Box 10097, Kalispell, Montana 59904, phone (406) 755-4633, the Federal Trade Commission and the appropriate state regulatory agencies.

The following table provides revenue and gross profit data from our affiliate’s locations in Kalispell, Montana and Florence, Montana, as well as our franchisee’s location in Helena, Montana. Our affiliate’s Florence location opened in 2022 and the franchised location in Helena opened in 2021. Accordingly, the table below provides data on operations for the full 12 months of 2023 (for Florence) and 2022 and 2023 (for Helena). Please read the notes that follow this table, together with the following information.

	Gross Revenue (1) (2)	Cost of Services (1) (3)	Royalty Fee (4)	Brand Fund Fee (4)	Gross Profit (1) (5)
Agape Kalispell 2021	\$1,231,756	\$705,840	\$74,906	\$36,953	\$415,058
Agape Kalispell 2022	\$1,4610,630	\$721,455	\$87,638	\$43,819	\$607,718
Agape Kalispell 2023	\$1,852,977	\$1,219,233	\$111,179	\$55,589	\$466,976
Agape Florence 2023	\$231,919	\$123,909	\$13,915	\$6,958	\$87,137
EPAGA Helena Franchisee 2022	\$132,322	\$57,005	\$7,939	\$3,969	\$63,408
EPAGA Helena Franchisee 2023	\$258,474	\$153,947	\$15,508	\$7,754	\$81,265

(1) This is a historic financial performance representation of our affiliate Agape in Kalispell and Florence, Montana and of our Helena, Montana franchisee. Results differ between our affiliate and our franchisee mainly due to experience and customer base. Data for each year is for the entire year. The amount represented was taken directly from the January through December 2022 and 2023 Cash Basis Profit and Loss Statement provided by EPAGA Home Care and our Helena franchisee.

(2) Gross revenue amounts are on a cash basis and are actual total payments received each year by Agape and our franchisee. Receipts in a year may include some revenue for services performed and billed in a prior year. Some services performed and billed in a year may not be paid in that year. Revenue sources include private pay, Montana Medicaid, Veterans Administration Montana and insurance. We do not assure you will be awarded contracts or become an approved provider with any payor. There is an ongoing risk that some Clients may fail or refuse to pay for services provided or to pay on time.

(3) Cost of Services are actual amounts paid for caregiver wages and amounts withheld and paid to government entities (Montana Administrative Fund Tax, Medicare taxes, social security, unemployment, Federal unemployment-FUTA, workers compensation.) Your costs will be different depending on the state and locality where your Franchised Business is located and taxes, workers compensation and other policies and practices associated with your franchise business.

(4) Royalty is calculated at 6% of Gross Revenue and the Brand Fund Fee is calculated at 3% of Gross Revenue. Agape did not pay these fees. They are included here because your franchise will pay these fees. Our franchisee did pay these fees and actual Royalty and Brand Fund Fee costs for our franchised outlet are provided.

(5) Gross Profit shown is the difference between revenues (Column 1) and the 3 categories of expenses (Column 2, 3 and 4). The stated Gross Profit amount (Column 5) is not Agape's actual Gross Profit or actual profit. Agape did not incur the Royalty or Brand Fund fee expense. These are inferred gross profits had Agape incurred 6% royalty and 3% Brand Fund Fee. The stated Gross Profit amount (Column 5) is our Helena franchisee's actual Gross Profit. Gross Profit is a calculation of funds from which additional expenses may be paid, such as insurance, marketing, telephone, scheduling software, officer compensation, administrative compensation, rent (if you rent an office) and all other expenses associated with your business. Gross Profit is an amount of funds before paying all expenses.

The following table shows caregiver service hours billed by our affiliate Agape in Kalispell by month for 2021, 2022 and 2023, our affiliate Agape in Florence, Montana by month for 2023 and our Helena franchisee by month for 2022 and 2023. Please read the note that follows this table, together with the following information.

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	2021 (6)	Percent	2022 (6)	Percent	2023 (6)	Percent
Agape Kalispell						
January	4,201.00	8.81%	3,653.00	8.49%	3,978.50	6.29%
February	3559.75	7.46%	3,951.75	9.18%	3,905.00	6.18%
March	3,848.00	8.07%	3,593.50	8.35%	4,372.75	6.91%
April	4,002.75	8.39%	3,337.00	7.85%	5,607.00	8.87%
May	4,160.50	8.72%	3,729.00	8.67%	5,391.50	8.53%
June	3,884.00	8.14%	4,076.20	9.47%	5,498.75	8.70%
July	3,795.50	7.96%	2,992.50	6.96%	5,707.00	9.02%
August	3,986.00	8.36%	3,508.17	8.15%	5,872.75	9.29%
September	3,936.00	8.25%	3,659.00	8.50%	5,280.00	8.35%
October	4,174.25	8.75%	3,339.00	7.76%	6,184.00	9.78%
November	4,175.25	8.75%	3,476.50	8.08%	6,013.75	9.51%
December	3,985.75	8.35%	3,670.00	8.53%	5,425.75	8.58%
TOTAL	48,453.59	100.00%	43,025.67	100%	63,236.75	100%
Average Weekly	931.80		827.42		1,216.09	
Average Monthly	4,037.80		3,585.47		5,269.73	
EGAPA Franchisee						
January			160.08	4.04%	513.92	7.79%
February			159.60	4.03%	484.88	7.35%
March			239.97	6.05%	537.12	8.14%
April			379.63	9.58%	495.79	7.51%
May			404.57	10.21%	604.50	9.16%
June			413.20	10.43%	540.22	8.18%
July			328.05	8.28%	445.77	6.75%
August			357.41	9.02%	539.12	8.17%
September			291.02	7.34%	540.05	8.18%
October			240.18	6.06%	618.00	9.36%
November			450.38	11.36%	652.85	9.89%
December			539.43	13.61%	628.78	9.53%
TOTAL			3,963.52	100%	6,601.00	100%
Average Weekly			76.22		126.94	
Average Monthly			330.29		550.08	
AGAPE Florence						
January					343.75	6.22%
February					347.50	6.28%

	2021 (6)	Percent	2022 (6)	Percent	2023 (6)	Percent
March					379.00	6.85%
April					369.00	6.67%
May					444.25	8.03%
June					379.00	6.85%
July					471.25	8.52%
August					516.25	9.34%
September					423.50	7.66%
October					499.75	9.04%
November					621.25	11.23%
December					735.67	13.30%
TOTAL					5,530.17	100%
Average Weekly					106.35	
Average Monthly					460.85	

(6) The above represents billings, not collections. This is not a representation that all billed hours were paid. Our affiliate Agape in Kalispell and Florence, Montana and our Helena, Montana's franchisee's rate of collection is below 100% per year. Most likely, your rate of collection will be below 100%. Your actual rate of collection will also affect your results.

Agape's business may differ materially from your franchise. Some differences are: (i) Agape has operated longer than your franchised business; (ii) the 2021 – 2023 time frame of the data and the operations of Agape differ from the time frame when your franchise will operate, which will be later in time; and (iii) Agape is in Kalispell and Florence, Montana; your franchised business will be elsewhere with different market conditions, demographics and state regulations or requirements. There will also be other differences.

You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business.

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

The similar business owned by our affiliate Agape earned this amount. These figures are only estimates of what we think you may earn. Your individual results may differ. There is no assurance that you will sell or earn as much as shown above.

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ITEM 20:
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	1	+1
	2022	1	1	0
	2023	1	1	0
Affiliate-Owned	2021	1	1	0
	2022	1	2	+1
	2023	2	2	0
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	1	2	+1
	2022	2	3	+1
	2023	3	3	0

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2021 to 2023

State	Year	Number of Transfers
Total	2021	0
	2022	0
	2023	0

Table No. 3
Status of Franchise Outlets
For years 2021 to 2023

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

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

Table No. 4
Status of Company-Owned Outlets*
For years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
MT	2021	1	0	0	0	0	1
	2022	1	1	0	0	0	2
	2023	2	0	0	0	0	2
Totals	2021	1	0	0	0	0	1
	2022	1	1	0	0	0	2
	2023	2	0	0	0	0	2

*The above chart is for our affiliate Agape.

Table No. 5
Projected Openings as of May 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Idaho	0	1	0
Montana	0	2	1
Total	0	3	1

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

During the last three fiscal years, no current or former franchisees signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchised system.

At this time there are no trademark specific franchisee organizations representing EPAGA franchisees, and no such trademark specific franchisee organization has asked us to be included in this Disclosure Document.

ITEM 21:
FINANCIAL STATEMENTS

Attached as Exhibit A is our audited financial statement as of May 31, 2023, May 31, 2022 and May 31, 2021. Our fiscal year end is May 31.

ITEM 22:
CONTRACTS

The Franchise Agreement is attached to this Disclosure Document as Exhibit B.

The Non-Disclosure and Confidentiality Agreement is attached to this Disclosure Document as Exhibit C.

The Telephone Number Assignment Agreement and Power of Attorney as Exhibit D.

The Guaranty is attached to this Disclosure Document as Exhibit E.

The SBA Addendum to Franchise Agreement is attached to this Disclosure Document as Exhibit H.

There are no other contracts or agreements provided by us to be signed by you.

ITEM 23:
RECEIPTS

Two (2) copies of a detachable receipt acknowledging your receipt of this disclosure (one copy is for you and the other is to be signed by you and given to us) appear as Exhibit I.

EXHIBIT A
FINANCIAL STATEMENTS

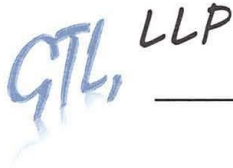
YABA, LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2023

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Certified Public Accountants and Business Consultants

Member of American Institute of Certified Public Accountants and California Society of Public Accountants
Participant in Quality Review Program of AICPA

INDEPENDENT AUDITOR'S REPORT

To the Management
Yaba, LLC
Kalispell, Montana

Opinion

We have audited the accompanying financial statements of Yaba, LLC ("the Company"), a Montana limited liability company, which comprises the balance sheet as of May 31, 2023, and the related statements of income and members' (deficit), and cash flows and the related notes to financial statements.

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

Basis for Opinion

We conducted our audits 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 Statement section of our report. We are required to be independent of Yaba, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Yaba, LLC's ability to continue as a going concern for a reasonable period of time.

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

GTL LLP

Certified Public Accountants
Sherman Oaks, California
September 11, 2023

YABA, LLC
Balance Sheet
May 31, 2023

ASSETS	
Cash	\$ 40,460
Total assets	<u>\$ 40,460</u>
LIABILITIES AND MEMBERS' DEFICIT	
Current liabilities	
Current portion of deferred franchise fees	\$ 3,450
Due to EPAGA Home Care	<u>119,286</u>
Total current liabilities	122,736
Franchise deposit	5,000
Deferred franchise fees, net of current portion	<u>24,150</u>
Total liabilities	151,886
Members' deficit	<u>(111,426)</u>
Total liabilities and members' deficit	<u>\$ 40,460</u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Statement of Income and Changes in Members' Deficit
For the Year Ended May 31, 2023

Revenues	
Franchise fee income	\$ 3,450
Royalty income	4,097
Brand fund income	2,048
Other income	<u>39,679</u>
Total revenues	<u>49,274</u>
Operating expenses	
Selling, general and administrative	5,898
Marketing	<u>9,000</u>
Total operating expenses	<u>14,898</u>
Net income	34,376
Members' deficit, beginning of year	<u>(145,802)</u>
Members' deficit, end of year	<u><u>\$ (111,426)</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Statement of Cash Flows
For the Year Ended May 31, 2023

Cash flows from operating activities	
Net income	\$ 34,376
Adjustments to reconcile net income to net cash (used-in) operating activities	
Changes in operating assets and liabilities	
Deferred franchise fees	(3,450)
Due to EPAGA Home Care	<u>(36,081)</u>
Net cash (used-in) operating activities	<u>(5,155)</u>
 Net change in cash	 (5,155)
 Cash, beginning of the year	 <u>45,615</u>
 Cash, end of year	 <u><u>\$ 40,460</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Notes to Financial Statements
May 31, 2023

1. NATURE OF OPERATIONS

Yaba, LLC (the "Company") a Montana limited liability company, was formed on August 30, 2018 ("Inception"), for the purpose of expanding the Company's non-medical in-home personal care services. The Company grants franchises for EPAGA Home Care businesses which provide in-home care services to patients of all ages and care requirements or needs. There has been limited business activity, including certain administrative expenses and initial capitalization, from inception through the financial statement date. However, in June 2021 the Company sold it's first franchise for \$34,500.

As a franchisor, the Company offers to sell franchises in the United States, entering into agreements with franchise purchasers. Under the terms of the franchise agreements, each franchisee receives training and a protected area to operate its franchise. In return the franchisees pay an initial franchise fee to the Company and once operations commence, pay royalty and brand fund fees per the franchise agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fiscal year

The Company's fiscal year is May 31.

Basis of accounting and financial statement presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America.

Use of estimates

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

Cash and cash equivalents

The Company considers cash on hand, bank checking accounts and investments purchased with a maturity of three months or less to be cash equivalents. The Company did not maintain cash balances that exceeded the FDIC insurance guarantees.

YABA, LLC
Notes to Financial Statements
May 31, 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenue recognition

The Company recognizes revenue in accordance with the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-9, *Revenue from Contracts with Customers* (Topic 606) (codified as ASC 606). ASC 606 is based upon the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services utilizing a new five-step revenue recognition model, which steps include (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

In accordance with ASC 606, franchise fees are recognized as deferred revenue at the time a franchise agreement is executed or when the location commences operations. The deferred revenue is then recognized as revenue pro-rata over the term of the agreement. For area development agreements, the development fees are recognized at the time an area development agreement is executed. The deferred revenue is then recognized pro-rata over the term of the agreement or when the required number of franchises in the area development agreement are satisfied, whichever occurs earlier.

Deferred commissions for sales of franchises are recorded at the time of sale and recognized as commission expense over the term of the franchise agreement.

Concentrations

The Company's bank balances may exceed the FDIC-insured limits. The Company does not anticipate any loss related to these balances.

YABA, LLC
Notes to Financial Statements
May 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company is organized as a limited liability company that is taxed as a sole proprietorship under the Internal Revenue Code and applicable state statutes. The profits and losses of the Company flow through to the members rather than the Company level. Accordingly, the Company will have no tax liability.

The Company has not been audited by the Internal Revenue Service or other state agencies. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements.

3. SUBSEQUENT EVENTS AND EMPHASIS OF MATTER

Management has evaluated subsequent events through September 11, 2023, the date which the financial statements were available to be issued.

4. RELATED PARTY TRANSACTIONS

The amount due to EPAGA Home Care, a related party, of \$119,286 is unsecured, noninterest bearing and due upon demand. The advances were used to fund general and administrative expenses

5. MANAGEMENT PLANS

The accompanying financial statements show that the Company has a history of members' deficit. Management plans to overcome the member's deficit include the opening of more locations, sale of additional franchises and financial support of ownership.

The Company's ownership has sufficient resources and the full intention of supporting current and future operations. As a result the financials statements have been prepared on the going concern basis.

YABA, LLC
Notes to Financial Statements
May 31, 2023

6. RISKS AND UNCERTAINTIES

The Company's operations are subject to certain risks and uncertainties including changes in the Company's position in the marketplace due to competition. The Company's future operations are ultimately dependent upon the market acceptance of the Company's current and future franchise offerings and related cash flow generated in order to meet its obligations.

YABA, LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2022

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Participant in Quality Review Program of AICPA

INDEPENDENT AUDITOR'S REPORT

To the Management
Yaba, LLC
Kalispell, Montana

Opinion

We have audited the accompanying financial statements of Yaba, LLC ("the Company"), a Montana limited liability company, which comprises the balance sheet as of May 31, 2022, and the related statements of income (operations) and members' equity (deficit), and cash flows and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of May 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Statement section of our report. We are required to be independent of Yaba, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 3 to these financial statements, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Yaba, LLC's ability to continue as a going concern for a reasonable period of time.

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

GTL, LLP

Certified Public Accountants
Sherman Oaks, California
August 1, 2022

YABA, LLC
Balance Sheet
May 31, 2022

ASSETS

Cash	<u>\$ 45,615</u>
Total Assets	<u><u>\$ 45,615</u></u>

LIABILITIES AND MEMBERS' DEFICIT

Current liabilities	
Current portion of deferred franchise fees	<u>\$ 3,450</u>
Total current liabilities	3,450
Due to EPAGA Home Care	155,367
Customer deposit	5,000
Deferred franchise fees, net of current portion	<u>27,600</u>
Total liabilities	191,417
Members' deficit	<u>(145,802)</u>
Total liabilities and members' deficit	<u><u>\$ 45,615</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Statement of Operations and Changes in Members' Deficit
For the Year Ended May 31, 2022

Revenues	
Franchise fee income	\$ 3,450
Royalty income	1,592
Brand fund income	<u>796</u>
Total revenues	<u>5,838</u>
Operating expenses	
Selling, general and administrative	4,819
Marketing	<u>60,080</u>
Total operating expenses	<u>64,899</u>
Net loss	(59,061)
Members' deficit, beginning of year	<u>(86,741)</u>
Members' deficit, end of year	<u><u>\$ (145,802)</u></u>

The accompanying notes are an integral part of these financial statements.

YABA. LLC
Statement of Cash Flows
For the Year Ended May 31, 2022

Cash flows from operating activities	
Net Loss	\$ (59,061)
Adjustments to reconcile net loss to net cash provided by operating activities	
Changes in operating assets and liabilities	
Deferred franchise fees	31,050
Customer deposit	5,000
Due to EPAGA Home Care	41,071
Net cash provided by operating activities	<u>18,060</u>
Net change in cash	18,060
Cash, beginning of the year	<u>27,555</u>
Cash, end of year	<u><u>\$ 45,615</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Notes to Financial Statements
May 31, 2022

1. NATURE OF OPERATIONS

Yaba, LLC (the "Company") a Montana limited liability company, was formed on August 30, 2018 ("Inception"), for the purpose of expanding the Company's non-medical in-home personal care services. The Company grants franchises for EPAGA Home Care businesses which provide in-home care services to patients of all ages and care requirements or needs. There has been limited business activity, including certain administrative expenses and initial capitalization, from inception through the financial statement date. However, in June 2021 the Company sold it's first franchise for \$34,500.

As a franchisor, the Company offers to sell franchises in the United States, entering into agreements with franchise purchasers. Under the terms of the franchise agreements, each franchisee receives training and a protected area to operate its franchise. In return the franchisees pay an initial franchise fee to the Company and once operations commence, pay royalty and brand fund fees per the franchise agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fiscal year

The Company's fiscal year is May 31.

Basis of accounting and financial statement presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America.

Use of estimates

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

Cash and cash equivalents

The Company considers cash on hand, bank checking accounts and investments purchased with a maturity of three months or less to be cash equivalents. The Company did not maintain cash balances that exceeded the FDIC insurance guarantees.

YABA, LLC
Notes to Financial Statements
May 31, 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenue recognition

The Company recognizes revenue in accordance with the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-9, *Revenue from Contracts with Customers* (Topic 606) (codified as ASC 606). ASC 606 is based upon the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services utilizing a new five-step revenue recognition model, which steps include (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

In accordance with ASC 606, franchise fees are recognized as deferred revenue at the time a franchise agreement is executed or when the location commences operations. The deferred revenue is then recognized as revenue pro-rata over the term of the agreement. For area development agreements, the development fees are recognized at the time an area development agreement is executed. The deferred revenue is then recognized pro-rata over the term of the agreement or when the required number of franchises in the area development agreement are satisfied, whichever occurs earlier.

Deferred commissions for sales of franchises are recorded at the time of sale and recognized as commission expense over the term of the franchise agreement.

Concentrations

The Company's bank balances may exceed the FDIC-insured limits. The Company does not anticipate any loss related to these balances.

YABA, LLC
Notes to Financial Statements
May 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company is organized as a limited liability company that is taxed as a sole proprietorship under the Internal Revenue Code and applicable state statutes. The profits and losses of the Company flow through to the members rather than the Company level. Accordingly, the Company will have no tax liability.

The Company has not been audited by the Internal Revenue Service or other state agencies. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements.

3. SUBSEQUENT EVENTS AND EMPHASIS OF MATTER

Management has evaluated subsequent events through August 1, 2022, the date which the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events and the potential impact on the Company cannot be reasonably estimated at this time.

4. RELATED PARTY TRANSACTIONS

The amount due to EPAGA Home Care, a related party, of \$155,367 is unsecured, noninterest bearing and due upon demand.

5. GOING CONCERN

The members have the means and willingness to commit to the Company the resources to support the future operations of the Company. Thus, these financial statements are being presented on a going-concern basis.

YABA, LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Management
Yaba, LLC
Kalispell, Montana

We have audited the accompanying financial statements of Yaba, LLC (the "Company"), which comprise the balance sheet as of May 31, 2021, and the related statements of operations and changes in members' deficit, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's 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.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yaba, LLC for the year ended May 31, 2021, and the results of its operations and cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to this financial statement, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to that matter.

GTCLLP

Sherman Oaks, California
July 15, 2021

YABA, LLC
Balance Sheet
May 31, 2021

ASSETS	
Cash	<u>\$ 27,555</u>
Total Assets	<u><u>\$ 27,555</u></u>
LIABILITIES AND MEMBERS' DEFICIT	
Due to EPAGA Home Care	\$ 114,296
Members' deficit	<u>(86,741)</u>
Total liabilities and members' deficit	<u><u>\$ 27,555</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Statement of Operations and Changes in Members' Deficit
For the Year Ended May 31, 2021

Revenues	\$ -
Operating expenses	<u>21,490</u>
Net loss	(21,490)
Members' equity, beginning of period	<u>(65,251)</u>
Members' equity (deficit), end of period	<u>\$ (86,741)</u>

The accompanying notes are an integral part of these financial statements.

YABA. LLC
Statement of Cash Flows
For the Year Ended May 31, 2021

Cash flows from operating activities	
Net Loss	\$ (21,490)
Adjustments to reconcile net loss to net cash provided by operating activities	
Changes in operating assets and liabilities	
Due to EPAGA Home Care	<u>24,045</u>
Net cash provided by operating activities	<u>2,555</u>
 Net change in cash	 2,555
 Cash, beginning of the year	 <u>25,000</u>
 Cash, end of year	 <u><u>\$ 27,555</u></u>

The accompanying notes are an integral part of these financial statements.

YABA, LLC
Notes to Financial Statements
May 31, 2021

1. NATURE OF OPERATIONS

Yaba, LLC (the "Company") a Montana limited liability company, was formed on August 30, 2018 ("Inception"), for the purpose of expanding the Company's non-medical in-home personal care services. The Company grants franchises for EPAGA Home Care businesses which provide in-home care services to patients of all ages and care requirements or needs. There has been limited business activity, including certain administrative expenses and initial capitalization, from inception through the financial statement date. However, in June 2021 the Company sold it's first franchise for \$34,500.

As a franchisor, the Company offers to sell franchises in the United States, entering into agreements with franchise purchasers. Under the terms of the franchise agreements, each franchisee receives training and a protected area to operate its franchise. In return the franchisees pay an initial franchise fee to the Company and once operations commence, pay marketing and royalty fees per the franchise agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fiscal year

The Company's fiscal year is May 31.

Basis of accounting and financial statement presentation

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America.

Use of estimates

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

Cash and cash equivalents

The Company considers cash on hand, bank checking accounts and investments purchased with a maturity of three months or less to be cash equivalents. The Company did not maintain cash balances that exceeded the FDIC insurance guarantees.

YABA, LLC
Notes to Financial Statements
May 31, 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenue recognition

The Company recognizes revenue in accordance with the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-9, *Revenue from Contracts with Customers* (Topic 606) (codified as ASC 606). ASC 606 is based upon the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services utilizing a new five-step revenue recognition model, which steps include (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

In accordance with ASC 606, franchise fees are recognized as deferred revenue at the time a franchise agreement is executed or when the location commences operations. The deferred revenue is then recognized as revenue pro-rata over the term of the agreement. For area development agreements, the development fees are recognized at the time an area development agreement is executed. The deferred revenue is then recognized pro-rata over the term of the agreement or when the required number of franchises in the area development agree are satisfied, whichever occurs earlier.

Deferred commissions for sales of franchises are recorded at the time of sale and recognized as commission expense over the term of the franchise agreement.

Concentrations

The Company's bank balances may exceed the FDIC-insured limits. The Company does not anticipate any loss related to these balances.

YABA, LLC
Notes to Financial Statements
May 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company is organized as a limited liability company that is taxed as a sole proprietorship under the Internal Revenue Code and applicable state statutes. The profits and losses of the Company flow through to the members rather than the Company level. Accordingly, the Company will have no tax liability.

The Company has not been audited by the Internal Revenue Service or other state agencies. Management has evaluated its tax positions and has concluded that they do not result in anything that would require either recording or disclosure in the financial statements.

3. SUBSEQUENT EVENTS AND EMPHASIS OF MATTER

Management has evaluated subsequent events through July 15, 2021, the date which the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events and the potential impact on the Company cannot be reasonably estimated at this time.

4. RELATED PARTY TRANSACTIONS

The amount due to EPAGA Home Care, a related party, of \$114,296 is unsecured, noninterest bearing and due upon demand.

5. GOING CONCERN

The members have the means and willingness to commit to the Company the resources to support the future operations of the Company. Thus, these financial statements are being presented on a going-concern basis.

EXHIBIT B
FRANCHISE AGREEMENT



EPAGA

FRANCHISE AGREEMENT

This Franchise Agreement is made and entered into between Yaba, LLC, a Montana limited liability company with its principal office at 40 Appleway Drive, Suite 101, Kalispell, Montana 59901 (“we”, “us” or “our”), and the Franchisee indicated below (“you” or “your”) with reference to the following facts:

BACKGROUND

We developed a system (the “System”) of standards, methods and advertising the operation of businesses (the “Business” or “Franchised Business”) providing non-medical in-home personal care services (the “Services”). The System includes the use of the trade name, trademark and service mark “EPAGA Home Care,” together with other trade names, trademarks and services marks we designate for use with the System (the “Proprietary Marks”). You told us you want to obtain a franchise to own and operate a Franchised Business and operate it according to the System. We are willing to grant you a franchise, according to the provisions of this Agreement.

Initial Terms

- 1. **Franchisee Name:** _____
- 2. **Franchisee Address:** _____
- 3. **Agreement Start Date:** _____
- 4. **Initial End Date** (____th anniversary of start date): _____
- 5. **Business Address:** _____
(fill in address on signing or after address is determined)
_____ ("Approved Location").
- 6. **Territory (Exhibit A):** _____
- 7. **Other terms:** _____
- 8. These Sections 1 - 8, together with the accompanying pages containing Articles 9 - 28, Sections 9.1 – 28.11 and Exhibits A-E, form the Franchise Agreement between the parties.

Franchisee

Franchisor
Yaba, LLC, a Montana limited liability company

Signed _____

Signed _____

Printed Name _____

Printed name _____

Title _____

Title _____

ARTICLE IX - GRANT OF FRANCHISE

9.1 Grant. Subject to the provisions of this Agreement, we grant to you, and you accept, the franchise to operate a Franchised Business according to the provisions of this Agreement and according to the System.

9.2 Restrictions. Your activities are limited to offering and selling the Services under the System, operating from the Approved Location and within the territory described in, or shown in a map attached as, Exhibit "A" (the "Territory"). However, you may provide in-home care services in any of your clients' homes located anywhere in the world, who are referred to you by a referral source in the Territory. You are solely responsible to investigate and assure that you comply with all laws applicable in each location where you provide services. All your marketing activities must be directed to customers in the Territory. You are prohibited from marketing to, or soliciting, customers located outside the Territory.

9.3. Legal Limitations. At the time of entering into this Agreement, the services to be offered typically include assistance in combinations of bathing, dressing, grooming, hygiene, toileting assistance, meal preparation, feeding, light housekeeping, medication reminders, and errands. The Franchised Business is not authorized or permitted to and you shall not offer medical services, services requiring a professional license, or any services which are or become restricted or prohibited by applicable law (which could potentially include services mentioned above in this Section 9.3).

9.4. Professional Services. If you have, or in the future obtain a professional license or other required government consent and become authorized to provide services that are restricted or prohibited in the absence of such license, then we may be willing to consider authorizing you to include such services as part of the Franchised Business. You shall not offer such services, whether separately from or as part of the Franchised Business, without our prior written consent and without possession of such government license and/or government consent.

9.5 Rights Reserved to Us. We reserve the rights to:

- (a) own and control the Proprietary Properties;
- (b) grant franchises to others anywhere, that are different from the franchise granted by this Agreement;
- (c) engage without limitation in each and every aspect of the business of selling related services, products and equipment;
- (d) offer to the public separately, jointly or with others, all related services and/or products of every type and kind; and in doing so, to use the Proprietary Marks, Copyrights, and Know How.
- (e) establish, operate and/or license others to establish and/or operate franchised businesses at any locations outside the Territory, but not to knowingly grant another franchisee a territory that overlaps with any portion of the Territory.
- (f) establish, operate, and grant rights to others to establish and operate, Franchised Businesses and other similar or different businesses at any locations and on any terms we deem appropriate outside the Territory;
- (g) develop and establish other business systems, which could include systems that distribute products or services similar to those offered at Franchised Businesses, using names or marks other than the Proprietary Marks, whether within or outside the Territory, and to grant licenses to use those systems;

(h) offer any products and related services identical or similar to, or different from, those your Franchised Business sells, whether identified by the Proprietary Marks or other trademarks or service marks, through any distribution channels we think best (including the Internet), wherever located or operating ;

(i) permit our franchisees operating Franchised Businesses at any locations to provide in-home care services in any of their clients' homes located anywhere in the world, which could include in the Territory;

(j) advertise and promote the System in any or all areas, including the Territory, as we determine appropriate;

(k) purchase or otherwise acquire assets or minority or controlling ownership of businesses identical or similar to the Franchised Business, and/or franchise, license, and/or similar agreements for such businesses, some or all of which might be in or near the Territory;

(l) be acquired, regardless of the form of transaction, by a business identical or similar to EPAGA, even if the other business operates, franchises and/or licenses competitive businesses in or near the Territory; and

(m) engage anywhere in any business activities not expressly prohibited by this Agreement.

ARTICLE X - TERM AND RENEWAL

10.1 Initial Term

The term of this Agreement shall be ten (10) years from the Agreement Start Date in Section 3 above, unless sooner terminated according to the provisions of this Agreement ("Initial Term").

10.2 Renewal Term

If you complied with all conditions for renewal in Section 10.3 below, you will have the right, but not the obligation, to enter into up to two (2) renewal Franchise Agreements, each for an additional five (5) year term (each, a "Renewal Term"), each including any provision for further renewal contained in such agreement, but modified if applicable, to not exceed five (5) years.

10.3 Requirements for Renewal

Your right to enter into a Franchise Agreement for the Renewal Term is conditioned on you meeting all the following conditions:

10.3.1 On your exercise of the right and at the start of any Renewal Term, you must have fully performed all your obligations under and not be in breach of any provisions of, this Agreement and/or any other agreement with us and/or our affiliates.

10.3.2 You, at the start of a Renewal Term, must satisfy: (i) our then-current standards applicable to the System; (ii) the requirements of the then-current Franchise Agreement and all ancillary agreements; (iii) our training requirements, including you demonstrating ability to perform all services that are part of the System at the time of renewal; (iv) the standards in our then-current Confidential Operations Manual; and (v) our requests for disclosure of or access to information we request to evaluate your ability to perform.

10.3.3 You must have satisfied all monetary obligations to us and our affiliates and must have met such obligations in a timely and responsible manner throughout the Initial Term.

10.3.4 You must have executed a general release, in form satisfactory to us of all present and future claims, known and unknown, against us and our affiliates and their respective shareholders, members, managers, directors, officers, agents, contractors, and employees, arising out of or related to the Agreement.

10.3.5 You must be in compliance with our then-current qualification and training requirements in the Manual and/or elsewhere.

10.3.6 You must pay to us a renewal fee equal to twenty percent (20%) of the then current basic, undiscounted initial franchise fee being charged by us for a new franchise.

10.3.7 Meet other reasonable requirements, if any, that we consider to be relevant at the time of renewal.

10.4 Renewal Franchise Agreement

If you want to exercise the right to enter into a renewal Franchise Agreement, you must execute our then-current form of Franchise Agreement. That agreement shall supersede this Agreement.

10.4.1 The terms of the renewal Franchise Agreement may differ from the terms of this Agreement. Differences may include, without limitation, change in royalty fee, changes in amounts or rates of other fees, different and additional fees, adjustments to Territory, products, services and other materially different terms.

10.4.2 You must exercise your right to renew for a Renewal Term in the following manner:

(a) At least one hundred eighty (180) days, but no more than two hundred forty (240) days, before expiration of the Initial Term, you must notify us in writing of your intent to exercise your renewal right.

(b) Within thirty (30) days after receipt of your request, if you complied with all conditions to renewal, we will provide you a copy of our then-current Disclosure Document, including our then-current Franchise Agreement. On receipt of these you must, in writing, acknowledge receipt.

(c) No sooner than fourteen (14) days but no more than thirty (30) days after you receive our then-current Disclosure Document (including our then-current Franchise Agreement), you must notify us in writing whether or not you elect to execute our then-current Franchise Agreement.

(d) After receiving written notice of your election to execute our then-current Franchise Agreement, we will provide you the Franchise Agreement. Promptly on receipt you must sign the Franchise Agreement and return it to us.

(e) Failure to perform an act or to deliver a notice required in this Section 10.4.2 in the time required, will be deemed an election by you not to renew, and will end and waive your renewal right without further notice or action by us.

(f) If you exercise your renewal right in the manner described above, and if on the date the Initial Term expires you complied with all conditions in Section 10.3, we will execute the renewal Franchise Agreement previously executed by you and after expiration of the Initial Term, deliver a fully executed copy to you.

10.5 Notice Requirement

If applicable law requires us to give notice of expiration or nonrenewal or other notice earlier in time, or greater notice, then this Agreement will be deemed to remain in effect on a month-to-month basis until we have given you the required notice and the applicable period required to pass before the notice becomes effective has expired.

ARTICLE XI - OUR DUTIES

11.1 Confidential Operations Manual

11.1.1 We provide you electronic access to our Confidential Operations Manual (the “Manual”). You may use the Manual only as provided in this Agreement, only during the term of this Agreement.

11.1.2 We can develop a restricted intranet website for convenience of us, our franchisees and other parties we designate. We can post the Manual and other communications on this intranet or other website. You agree to monitor and visit the site at least as often as we request from time to time, to check for updates and revisions to the Manual and other communications regarding standards, specifications, procedures and other matters. Passwords or other digital identifications necessary to access the Manual on the site will be deemed to be part of the Confidential Information.

11.1.3. You agree to comply with security and confidentiality measures we may implement from time to time to restrict access to and otherwise maintain confidentiality of the Manual. You agree and consent that we can monitor your access to and use of the Manual.

11.1.4. We designate policy statements and operations memoranda that we issue from time to time to be part of the Manual.

11.2 Additional Materials

In addition to training we provide, we can from time to time provide you with documents and things embodying Copyrights or Know How, including instructions, data, materials, forms or other information developed by us. We will have the right to incorporate these matters into the Manual. We can require you to conduct operations of the Franchised Business according to the foregoing.

11.3 Initial Training

You must complete our initial training program (the “Training Program”) at our headquarters or at such other location(s) as we designate. The training program will include training regarding operational, management and marketing pertaining to the System. The training may include classroom or on-the-job training, self-study online, webinar or other communications, review of videos or other materials, or a combination of these. The Training Program will be offered to you and to as many as one additional owner or one additional employee, for a maximum of two (2) trainees. If you are a corporation, limited liability company, partnership or other entity, then the Training Program shall be completed by a shareholder owning at least fifty percent (50%) of the issued and outstanding shares of the corporation, or its chief executive officer, or, for a limited liability company, by a holder of at least fifty percent (50%) of the membership interests, or, for a partnership, by a holder of at least fifty percent (50%) of the partnership’s equity.

11.4. Training Provisions

11.4.1 We are not obligated to pay compensation to you or any personnel for any services performed by you or personnel in the course of training. This includes but is not limited to on-the-job services you or they may perform that in some ways may appear to benefit us or a franchisee of us. You acknowledge and agree that such activity is part of the training we provide and does not entitle you or any personnel to compensation from us.

11.4.2. You must pay any and all applicable compensation to your personnel for their time and service in training. You must pay all expenses incurred by you and your trainee(s) in connection with and during training, including, but not limited to transportation, meals, lodging, wages and other expenses.

11.4.3 We reserve the right to determine and modify generally or specifically for any particular session of training, the subject matter and content of our Training Program, order of presentation, trainers, mix of subjects, mix of trainees and all other aspects of the Training Program.

11.4.4. We will provide additional advisory assistance and training that we deem advisable in the operation of the System, on terms and conditions we determine and set forth in the Manual or otherwise.

11.4.5 We reserve the right to elect or decline to train any number of individuals representing any number of franchises individually, or at the same time.

11.4.6 We can waive or modify all or some training requirements for any personnel we determine, in our discretion, already has skill, experience and/or training necessary to operate in accordance with the System.

11.4.7 If you request that we provide additional on-site training or assistance, you must pay our then-current fees for each trainer/representative we send to provide training or assistance, and you must reimburse the costs our personnel incur, including, but not limited to, travel, lodging and meals.

11.4.8 If we determine that you or any of your managers is in our subjective opinion, not qualified (or is no longer qualified) to act as manager, we reserve the right to require you to replace yourself and/or that manager and require that the replacement person complete the initial Training Program and/or any subsequent training we specify. You must pay our then-current training fee for each replacement manager, and you must pay your manager's compensation and other costs while attending the Training Program and/or subsequent training, including, but not limited to, travel, lodging and meals.

11.4.9 If we determine that you or any of your managers is in our subjective opinion, not qualified (or is no longer qualified) to act as manager, and if we determine in our subjective judgment that you are and your manager are not likely to be able to be qualified, we may terminate this Agreement. On termination under this Section, we will return the initial franchise fee that you paid, less twenty percent (20%) which we may retain on account of our costs and expenses.

11.5. Additional Trainees

If you ask, and if we agree to provide the Training Program to additional personnel, or if we require you to have additional or replacement personnel complete the Training Program, whether before your Business opens or while it operates, you must pay our then-current training fee for each such additional person to whom we provide training. At the time of entering into this Agreement our fee for additional training is \$500 per day.

11.6 Compliance with Manual

You must comply with and operate the Franchised Business in compliance with the Manual. To maintain uniformity of concept and quality, all proprietary materials and forms used by you shall be obtained from us, our affiliates or other suppliers we designate according to terms and procedures in the Manual. Use or sale by you of unapproved services or products will be a material breach of this Agreement.

11.7 Computer Hardware/Software

We can specify particular computer hardware/software and peripheral equipment that you must obtain or we may set forth minimum specifications for computer hardware and peripheral equipment that you must obtain. We can require you to use software we specify. We can require you to pay to us and/or to third party suppliers, recurring and/or nonrecurring fees for hardware and/or software. We can change the required software. We can require you to update the software.

11.8 Franchisee Conferences

We conduct or arrange conferences, seminars, meetings or the like from time to time of franchisees. These may be for training, to discuss industry developments, operational techniques, service developments, bookkeeping, accounting, advertising and new services or procedures or other matters and subjects. We reserve the right to specify that attendance is mandatory for you and/or your manager. For conferences, seminars or meetings we designate as mandatory, you will not be required to pay a conference fee. For conferences, seminars or meetings we designate as optional, you can be required to pay a conference fee. At the time of entering into this Agreement such fee would not exceed \$450 for an event of up to 3 days. You must pay all travel and living expenses and wages for you and any personnel who attend. Conferences may be at a location we designate.

11.9 Toll-Free Number; Information Database

We can, in our discretion, provide a toll-free support line and information database. If we elect to provide these, you agree to pay our then-current fee for these services.

11.10 Call Center

We reserve the right to establish a call center to receive and relay inquiries. If we establish a call center, we can require you to participate in the rules and procedures we may establish. We may require you to share an allocable portion of the costs.

ARTICLE XII - CONFIDENTIAL OPERATIONS MANUAL

12.1 Conduct of Franchised Business

To protect the reputation and goodwill of us, the System, and Proprietary Properties, and to maintain operating standards under the Proprietary Marks, you must conduct your Franchised Business in accordance with the provisions, standards, and procedures in this Agreement and in the Manual.

12.2 Confidential Information

You must at all times treat the Manual, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained therein as Confidential Information and Know How. You must maintain the information as secret and confidential in accordance with the terms and conditions governing Know How and Copyrights. You must not, at any time, without our prior written consent, copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part.

12.3 Our Sole Property

The Manual shall at all times remain our sole property. If we have at any time provided to you a printed copy you must return it to us immediately on expiration or termination of this Agreement. If you have at any time made a printed copy, you must return it to us immediately on expiration nor termination of this Agreement. This provision does not authorize you to make any printed copy.

12.4 Revisions

We can, from time to time, revise contents of the Manual when we consider revisions to be necessary to improve or maintain the standards of the System. You agree to comply with the Manual as revised by us from time to time. Any revisions to contents of the Manual shall be deemed effective ten (10) days after the date of mailing or providing the revision electronically to you, unless we specify another earlier or later effective date.

12.5 Modification of Standards

We can modify our standards for any particular franchisee based on circumstances we consider to be applicable. Our modifying standards for a particular franchisee does not mean you will be permitted to follow the modified standard. You acknowledge and agree we are not required to provide you with a like modification of the standard.

12.6 Improvements

Any improvements, inventions or discoveries made by you, or your employees or agents relating to the Proprietary Properties or System (“improvements”), shall be deemed to be assigned to and owned by us. The consideration for such assignment is the provisions of this Agreement and we are not required to provide you any further or additional compensation. All documents and other information concerning such improvements shall be disclosed to us promptly after creation or invention. We reserve sole discretion to decide whether to include the improvements in the System in original or any modified form or not at all, and the method of implementation and protection we deem appropriate, if any. You must execute all documents we deem to be necessary to perfect our ownership in and to any such improvements and you must cooperate with us in the creation, implementation, use and protection thereof.

ARTICLE XIII - MARKS, TRADE NAMES AND COPYRIGHTS

13.1 Ownership of Proprietary Marks

We are the licensee of the owner of the Proprietary Marks. The license granted to you in this Agreement does not grant you any right, title or interest, at law or in equity, in or to any of the Proprietary Properties, including the Proprietary Marks, Copyrights, and Know How. You must not represent to others or conduct yourself in any way that may suggest to others, that you possesses any other legal or equitable rights in or to the Proprietary Properties by virtue of the limited license granted in this Agreement.

13.2 No Challenge

You must never attack, contest or challenge the validity or enforceability of any of the Proprietary Properties, or our ownership or title to them, or assist another in any such attack, contest or challenge. This Section 13.2 survives termination or expiration of this Agreement. You must not do or permit any act in derogation of any of our rights to the Proprietary Properties.

13.3 Quality Standards

You agree that the nature and quality of all services provided by you under the Proprietary Marks, all goods sold by you under the Proprietary Marks; and all related advertising, promotion and other related use of the Proprietary Marks by you shall conform to our standards.

13.4 Quality Maintenance

You agree to cooperate with us in facilitating our control of the nature and quality of our Proprietary Marks, permit inspection by us of your operation, and supply us with specimens of all uses of the Proprietary Marks on request. You must comply with all applicable laws and regulations and obtain all appropriate government approvals pertaining to the sale, distribution and advertising of services and goods which may be covered by this Agreement. Visits and inspections may at our choice be in person or virtual, using technology.

13.5 Inspections

We can, in our discretion, cause our representatives to telephone or visit you from time to time to inspect and assess the operation of the Franchised Business and compliance with this Agreement and the

Manual and System. You must comply with our requests and visits, and provide all information requested. We may prepare written reports regarding with respect to such visits, outlining observations and any suggested changes or improvements in your operation of the Franchised Business and detailing any defaults in operations observed in or based on of any such visit. A report's silence on a subject does not constitute waiver by Franchisor.

13.6 Use of Proprietary Properties

You shall use the Proprietary Properties solely in accordance with this Agreement and the Manual. You must use the Proprietary Marks only in the form and manner and with appropriate notices and legends we specify from time to time. You must not use any other service marks or trademark in combination with any of the Proprietary Marks without our prior written consent.

13.7 Trade Name; Doing Business As

You must not use the Proprietary Properties, or any words, phrases, symbols, trade dress, colors, logos or materials which we deem confusingly similar thereto, in your trade name (or for any other purpose) without our prior written approval. You must identify yourself to the public as doing business as "EPAGA" in the form and manner we specify.

13.8 Identifying Ownership

During the term of this Agreement and any renewal or extension, you must identify yourself as owner of the Franchised Business along with any use of the Proprietary Marks, including, but not limited to invoices, order forms, receipts, business stationery, contracts with third parties or entities, as well as the display of notices in such content and form and at conspicuous locations we designate in writing. You must display conspicuous notices and signage, meeting requirements we specify, stating that the Franchised Business is independently owned and operated and containing additional information that we specify. You shall inform all personnel by prominently posting in the area for personnel, and on stationery, that personnel are employed by you as Franchisee, which is an independently owned and operated franchisee.

13.9 Stopping Use

On the expiration or termination of this Agreement, you must stop use of the telephone number(s) of the Franchised Business and not advertise in any telephone directory under the name "EPAGA" or any other name, phrase or logo used by the System; you must stop use of all Proprietary Properties, and not use any words, phrases, logos, designs, colors, trade dress or the like that in any manner may cause customer confusion, or resemble, be confusingly similar to, or be a colorable imitation of the Proprietary Properties. On our demand, you must direct your telephone company(s) to transfer the telephone number(s) to us or our designee. If you fail promptly to direct your telephone company to effect such transfer, you hereby irrevocably appoint us as your attorney-in-fact to do so.

13.10 Our Right to Defend

If you receive notice or learn of an actual or potential claim, suit or demand against you or us for infringement, unfair competition, or similar matter relating to the Proprietary Properties, you must promptly tell us in writing. We will take action we deem appropriate. We will have the sole right to defend compromise or settle any claim, using attorneys we choose. You must cooperate with us in the defense. We will protect, defend and indemnify you in the claim unless it arises out of or relates to your use of the Proprietary Properties in violation of this Agreement or the Manual.

13.11 Notice of Infringements

If you learn of unauthorized use of the Proprietary Properties, you must promptly tell us the facts in writing relating to the unauthorized use. You must notify us in writing of any unauthorized use of the

Proprietary Marks or any other property of us promptly as it comes to your attention. We will determine whether or not to take action and what action, if any, to take regarding such matters. You have no right to take any action regarding unauthorized use of the Proprietary Properties without our prior written consent.

13.12 Scope of License

You acknowledge and agree that the limited license to use the Proprietary Properties is only for properties designated by us from time to time. You must not represent in any way that you acquired any ownership or equitable rights in any of the Proprietary Properties.

13.13 Modification

If it becomes advisable at any time, in our discretion, to modify or stop use of any aspect of the Proprietary Properties and/or adopt or use one or more additional or substitute items, you must comply with our instruction. You waive any claim arising from or relating to any change, modification or substitution to the Proprietary Properties. We will not be liable to you for any expenses, losses or damages you have due to such addition, modification, substitution or discontinuation. You agree not to start or join in any litigation or other proceeding against us for any of these expenses, losses or damages.

ARTICLE XIV - FEES

14.1 Initial Franchise Fee

On signing this Agreement you agree to pay us an initial franchise fee of thirty-four thousand five hundred dollars (\$39,500). You pay this fee in a lump sum. It is deemed to be fully earned when paid and is not refundable. However, as stated in Section 11.4.9, if we terminate the franchise because we determine that you are and your manager are not likely to be able to be qualified, then we will return the initial franchise fee that you paid, less 20% (\$7,900) which we may retain on account of our costs and expenses.

14.2 Royalty

You must pay us a weekly royalty based on the Gross Revenue of the Franchised Business in the prior week ("Royalty Fee"). The weekly Royalty Fee will be an amount equal to six percent (6%) of your Gross Revenue for the prior week or fifty dollars (\$50) per week, whichever is greater. The Royalty Fee is payable on Wednesday each week for Gross Revenue of the week ending Sunday prior to that Wednesday. The Royalty Fee is payable by electronic funds transfer or other method we designate. If Wednesday is not a business day, then payment is due the next business day.

14.3. Definition of Gross Revenue

For this Agreement, "Gross Revenue" means the total of all receipts and revenues derived from the sale or delivery of services performed by your Business, merchandise sold, leased, rented or otherwise provided by your business, and receipts and revenues of your business from any source and of any other kind or nature, whether in cash, credit, check, credit card, electronic currency, gift certificate, services, property, or other means of exchange. Gross Revenue excludes sales tax receipts that you must by law collect from customers, that is separately identified on invoices and that you actually pay to the taxing authority.

14.4 Tech Fund and Tech Access Fees

You must pay us a weekly Tech Fund Fee. The weekly Tech Fund Fee will be at a rate we will set, up to three percent (3%) of your Gross Revenue for the prior week. The Tech Fund fee is payable at the same time as the weekly royalty in Section 14.2. In addition, you will pay us a Tech Access fee. At the time of signing this Agreement, the Tech Access fee is a fifty dollars (\$50) per month per user.

14.5 Prompt Payment

You must pay promptly, when due, all taxes and assessments made or due from your business or against your income or the premises, equipment and/or supplies used in your business. You must discharge all liens and encumbrances created or placed on or against the property of your business. You must pay all accounts and other debts incurred by you in the business. If you fail to make any payment, we will have the right, but not the obligation, to pay the amount on your behalf. You must promptly reimburse us for the payment.

14.6 Interest on Late Payments

Any amount you owe us that is not paid when due will bear interest starting at the original due date at the rate of one-and-one-half percent (1.5%) per month or the highest rate permitted by applicable law, whichever is less, until paid. This provision for interest on late payment does not waive or excuse the breach and is not consent to late payment or to extend credit.

14.7 Application of Payments

Regardless of designation by you, we will have the right to apply any payments by you to any of your past due indebtedness for royalty, advertising contributions, purchases from us or our affiliates, interest or other debt.

14.8 Method of Payment

At our request, you must sign and provide us documents we require to authorize us to debit your bank account automatically for the Royalty Fee and other amounts due under this Agreement or any related agreement between us (or our affiliates) and you. We will have the right to debit your account for such amounts on applicable dates. You must make funds available for withdrawal by electronic transfer before each due date. We may also designate other payment method(s) and you must comply with the payment method(s) we designate. You must execute an authorization for us to automatically debit your account, in the form attached as Exhibit D or other form we and/or the financial institution may specify from time to time.

14.9. Government Tax

If at any time government authority imposes a sales or other tax or fee on royalty fees or other fees or charges, then we have the right to charge you for and to collect this from you.

14.10. Adjustment

With regard to any fee(s) or charge(s), costs, and/or required expenditures provided for in this Agreement, or in the Manual or elsewhere, that we set in this Agreement or elsewhere as a specified amount or specified minimum or maximum, we may, but are not obligated, to adjust the specified amount from time to time based on inflation or other cost and/or expense factors we are subject to or that we consider relevant.

ARTICLE XV - YOUR OBLIGATIONS

15.1 Compliance with System

Each aspect of the System is important to us, to our brand, to other franchisees, to operation of the Franchised Business, and to members of the public who may look to you and other franchisees for quality service. You must operate the Franchised Business at all times in full compliance with the System and each of its aspects.

15.2. High Operating Standards

You must continuously operate the Franchised Business. You must always use best efforts to maintain and grow the business and seek to maximize delivery of services in the Territory. You must operate the Franchised Business always in a professional manner with the highest ethical standards, complying with all standards of quality, service and otherwise prescribed from time to time in the Manual or otherwise.

15.3. Your Office

You must operate from your home or office consented to by us.

15.4 Timing to Start Operating

You must equip the Franchised Business, complete training (as required by Section 11.3 of this Agreement) and start operating the Franchised Business, all no later than ninety (90) days after you and we have both signed this Agreement.

15.5 Maintaining Licenses

You must investigate, identify, obtain and maintain all required licenses, permits, certificates and approvals relating to the operation of your Business. You acknowledge and agree that you are solely responsible to investigate and determine all requirements and costs in the state and locality where you operate and to take all needed actions, at your expense, to assure your Franchised Business remains in compliance with all requirements at all times.

15.6. Compliance with Laws

You must operate your Franchised Business in compliance with all applicable laws, ordinances and regulations, including without limitation all government regulations relating to environmental protection, occupational hazards, health, worker's compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales taxes. You must, in all dealings with customers, suppliers, us and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You must refrain from any business or advertising practice which may hurt the goodwill associated with the Proprietary Marks and other EPAGA businesses.

15.7. Your Personnel

You will recruit, interview, evaluate and make the decisions whether or not to hire candidates for employment with your Franchised Business. Employees you hire or employ for your Franchised Business will be your employees and your employees alone. They are not, for any purpose, to be deemed to be our employees, or subject to our direct or indirect control, most particularly with regard to mandated or other insurance coverage, taxes or contributions, or requirements regarding wages, withholdings, levied or fixed by any government authority. You will file your own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments for your employees and operations. Our authority under the Franchise Agreement to train and approve your supervisory or managerial personnel for qualification to perform certain functions for your Franchised Business does not directly or indirectly vest us with power or right or ability to hire, fire or control any of your personnel. You and you alone will be solely responsible for all hiring and employment decisions and functions relating to your Franchised Business, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, including minimum wage compliance, personnel policies, benefits, recordkeeping, including authorization of persons to work in the United States, supervision and discipline of employees, regardless of whether you received advice from us on these subjects or not. You must so inform all employees of all the foregoing on a regular basis. Any guidance we may give you regarding employment policies should be considered merely examples. You will be responsible to establish and implement your own employment policies, and should do so in consultation with local legal counsel

experienced in employment law. You and your employees must satisfy standards of conduct, appearance and grooming and wear uniforms in accordance with standards we specify.

15.8 Supervision of Business

15.8.1. You or your manager, who has completed the Training Program to our satisfaction and who has been approved by us, must personally, directly, continuously operate and supervise operation of the Franchised Business. You alone will exercise day-to-day control over all operations, activities and elements of the Franchised Business, including over your employees. Under no circumstances will we do so or be deemed to do so. The various requirements, restrictions, prohibitions, specifications and procedures of the System which you must comply with do not constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Franchised Business but only constitute standards which you must adhere to in exercising your control over the day-to-day operations of the Franchised Business consistent with our policies.

15.8.2. If we consent to you assuming these responsibilities less than full time, you must employ and retain an individual who will be vested with authority and responsibility for day-to-day operations. We don't have to consent. The certified manager must: actively supervise and manage the Franchised Business full time and devote full time and best efforts solely to operation of the Franchised Business and no other business; meet our education, experience, and other criteria for the position; be an individual acceptable to us; successfully complete the initial training program to our satisfaction; and avoid actions or conduct that are unlawful and in view of such person's position as certified manager, may hurt the reputation of the Franchise Restaurant or any of the Marks or of Franchisor.

15.8.3. If you are a business entity, you must designate a certified manager acceptable to us who will be principally responsible for communicating with us about the operational and other ongoing matters concerning the business. We can require you to have your manager agree to restrictions against diverting business or having an interest in a competitive business.

15.8.4. If you operate more than one franchise, you must personally divide at least a 40 hour work week among all the Franchised Businesses you operate, and employ at least the number of certified managers for each Franchised Business to meet our requirements for certified managers. We are not obligated to permit or consent to you operating more than one or any additional Franchised Businesses.

15.9 Acknowledgments

You acknowledge being one of a number of franchisees (whether initially or eventually), each of whose results may be affected by the integrity, reputation and marketing efforts of each other franchisee. You acknowledge that the value of the Proprietary Marks and of membership in the System to you, to us and to other franchisees depends on maintenance of uniform standards of quality, integrity and appearance. You acknowledge that any action by you which impairs the reputation and goodwill of the Proprietary Marks, or brings us into disrepute, or departs from uniform practices we specify, may injure other members of the System. However, this provision, and any similar provision in agreements between us and others, does not make you a third party beneficiary of such other agreements or give you a basis for any claim based on our action or inaction with regard to other franchisees.

15.10 Our Directives

You agree to follow our directives as to appearance of Premises, quality and appearance of services and goods, appearance of staff when delivering services under the Proprietary Marks, other business practices and other matters that may affect public perception of the System. You must offer all services and goods that are authorized to be part of the System and must not offer other services or goods without obtaining our prior written consent.

15.11 Variances

Complete uniformity under varying conditions may not be possible or practical. We reserve the right as we deem appropriate in any instance(s), to vary or decline to vary standards as requested to accommodate special needs of you, or of any other franchisee(s), based on particularities of a location or market, population, business potential, business practices, requirements of local or other applicable law or custom, or other consideration(s) we deem relevant. We may from time to time allow certain franchisees to depart from standards and routines in some respects whether to experiment, test new services or products, equipment, designs, procedures or the like or for business expediency, based on assessment of various factors. Such variance or testing does not waive our rights, or excuse performance of your obligations. We may at all times or any time(s) require your full and exact compliance with all standards and procedures. We shall not under any circumstance be required to grant any variance to you. Nothing in this section or agreement authorizes you to fail to comply with all our standards and requirements or to compel us to grant a variance or to grant, withdraw or modify a variance to any other franchisee. Such matters are at all times in our sole discretion.

15.12 Computer Hardware/Software

You shall (at your sole cost and expense) acquire computer hardware/systems meeting our specifications. You shall (at your sole cost and expense) update and modify the computer hardware/systems to meet changes made from time to time in our specifications.

15.13 Authorized Products and Services

You must offer only services and products that we authorize for the Franchised Business. You must not, without our prior written consent, offer or sell any service or product that is not authorized by us for the Franchised Business.

15.14. No Subcontracting

You must provide all services through your own employees and not through independent contractors. You must provide training to employees as provided in the Manual.

15.15 No Selling/Leasing Customer List

You must not sell or otherwise use your EPAGA customer list(s) or customer contracts for any purpose other than operation of your Franchised Business.

15.16 Approved Products and Supplies

You agree that all products and supplies and all equipment used in your Franchised Business must comply with our specifications and quality standards. We will provide you a list of approved products and supplies and, from time to time, issue revisions of the list. If you wish to use any type or brand of product or supply item or to purchase products or supplies from a supplier that is not approved by us, you must request our approval of the proposed product, supply or supplier, and submit to us specifications, photographs, samples and other information we request. We will, within a reasonable time, determine if such products, supplies or supplier meets our specifications and standards and notify you if you are authorized to use the proposed product or supply item or purchase from the proposed supplier. We may, in our discretion, assess a fee for review of a proposed item or supplier, not to exceed our estimate of our costs associated with conducting such review. Suppliers of products and/or services may from time to time offer or be willing to pay reasonable rebates or other consideration to us. We will have the right to receive and retain any such rebates or other considerations as our own property and funds, without obligation to account, and without other restriction.

15.17 Operating Hours

You must operate your Franchised Business during at least the hours prescribed in the Manual.

15.18 Inspection

We or our authorized agents or representatives may, on reasonable notice, inspect the Franchised Business during normal business hours to assess compliance with this Agreement and with the System. You must provide access all facilities, operations, records, files, data, accounts, reports and the like in your possession or control, also including those in possession, custody or control of third parties as to which you have the ability to instruct or direct such third parties to provide us access, connected with the Franchised Business. We may, at our choice, inspect in person or virtually or remotely using technology.

15.19 Reports

You must submit to us monthly profit and loss and balance sheet statements and additional reports and information regarding the Franchised Business and you, as we prescribe in the Manual or otherwise request from time to time, within time frames we specify.

15.20 Ethics

You agree to conduct the Business in compliance with all applicable federal, state and local laws, regulations and ordinances; and with codes ethics of any professional and/or industry organization we join or participate in and any code of ethics we may adopt. You hereby authorize any federal, local or state body or agency that regulates or supervises or licenses the Business or businesses similar to the Franchised Business to release to us any and all information related to complaints, disciplinary actions and investigations of or concerning you and/or the Business. You agree to notify us within five (5) days of any such complaints or disciplinary actions you become aware of.

15.21 Guaranty

On execution of this Agreement, your majority owners (if you are a corporate or limited liability entity), the General or Managing Partner (if a limited partnership) or the individual partners (if a standard partnership) shall each execute the Guaranty in the form attached as Exhibit C.

15.22. Terrorism Avoidance

You agree to comply and assist any efforts we may make to comply with Anti-Terrorism Laws. You certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners are not in violation of, any Anti-Terrorism Laws. "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any government authority addressing or relating to terrorist acts and acts of war.

ARTICLE XVI - INSURANCE

16.1 Obtaining Insurance

Before opening your Franchised Business, you must obtain the following insurance from carriers with an A.M. Best Rating of at least A-VII, admitted in the state where your Franchised Business is located: (1) comprehensive general liability, \$1 million per occurrence and \$3 million aggregate, also including sexual misconduct, (2) professional liability at least \$1 million per claim and \$3 million aggregate; (3) employment practices liability insurance at least \$1 million; (4) workers' compensation or other employer's liability at least \$1 million; (5) automobile liability coverage including owned, non-owned or rented/hired vehicles of at least \$1 million; (6) property insurance to cover 100% replacement cost of all build-out, furniture, fixtures,

equipment and inventory, including flood and/or earthquake insurance where applicable; (7) third party crime coverage of at least \$10,000; (8) cyber liability at least \$1 million covering first and third party cyber claims, including ransomware and social engineering for \$100,000; (9) business income and extra expense coverage at least \$300,000; and (10) any insurance required by statute or rule where your Franchised Business is located. Each liability policy must name us and our members, managers, directors and employees as additional insureds and provide us 30 days' notice of material modification, cancellation, expiration or renewal. Policies must not have any exclusion for claims between insureds. All policies must be primary and non-contributory to any insurance we may carry and provide a waiver of subrogation in our favor. You must maintain all required policies in force during the entire term of the Franchise Agreement. A certificate of insurance is required 30 days before you open your Franchised Business.

16.2. Modification of Insurance Requirements

We can from time to time increase or decrease amounts of coverage required under these insurance policies and require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances. We reserve the right to require you to maintain coverage for up to two (2) years post termination on any policy required by this Article XVI. You shall comply with our exercise of this right.

16.3 Providing Us Copies of Policies

You must provide us with a complete copy of each policy on obtaining the policy and/or thirty (30) days before you open your Franchised Business.. Before expiration of the term of each policy, you must provide us a Certificate of Insurance for each policy to be maintained for the upcoming term. If you do not maintain required insurance, or do not provide us with a copy of the policy or other evidence, satisfactory to us, of the required insurance coverage and payment of the premiums, we may obtain, at our option and in addition to our other rights and remedies, any required insurance coverage on your behalf. If we do that, you agree to fully cooperate with us in our effort to obtain the insurance policies, promptly execute all forms or instruments required to obtain or maintain the insurance, allow any inspections of the Franchised Business which are required to obtain or maintain the insurance and pay to us, on demand, any costs and premiums we incur.

16.4 Obligation Not Affected by Insurance We Maintain

Your obligation to maintain insurance coverage provided above is not reduced in any way by reason of any separate insurance we maintain.

ARTICLE XVII - ADVERTISING

17.1 Our Approval of Materials

You must use for your advertising and promotion activities only those materials, concepts and programs provided by us or approved in advance by us. For any proposed materials we have not approved, you must submit the materials to us for our review. We will have ten (10) days after receipt of the proposed advertising and promotion materials to notify you if they are approved. Unless we provide approval of the proposed materials, they are not approved. Any advertising materials you submit to us for review become our property, and we may use or distribute these in any manner we deem appropriate, including permitting use by other franchisees, without compensation or attribution to you.

17.2 Website

At our option, we may establish one or more websites to advertise, market and promote the EPAGA brand and/or EPAGA Businesses, and/or the EPAGA Business franchise opportunity. You must not maintain an internet website or otherwise maintain a presence or advertise on the internet or other computer

network without our prior written consent. We will establish your Internet domain name and website, which will at our discretion, be a page or portion within our website, or a website separate from our website with a distinct domain name. We will have sole authority to establish the domain name and website. You agree to assist us in customizing the website for your Business. We have the rights, at all times, for us or our designee to own the website and domain name for your Franchised Business, edit its contents and/or suspend its accessibility in whole or in part.

17.3. Updating

You agree to use our designated vendor to construct, host and maintain the website for your Franchised Business. You agree to provide the designated vendor with information necessary to update the website. You agree to pay the designated vendor's then-current maintenance fee and sign the designated vendor's website contract.

17.4. Social Media

You are authorized to conduct marketing through social media, that is in your Territory. All such marketing is subject to our approval. We have the right to set policies, rules and restrictions on such marketing including but not limited to the right to require cessation of marketing through some or all social media, temporarily or permanently.

17.5 Local Advertising

Subject to our prior written consent, you must conduct local advertising in the Territory by using vendors from our approved vendor list. We will provide you promotional materials which may include one or more of these categories: business cards, brochures, video, audio, print advertising, posters, banners and/or other items. You will receive one sample of each at no charge. If you wish to purchase additional copies of these materials, you agree to pay our then-applicable duplication costs.

17.6. Local Advertising Expenditures

You agree to spend a minimum of two percent (2%) of Gross Revenues each month for local advertising in the Territory. This may include internet advertising that has been approved by us. On our request, you must provide us with verification of all expenditures for local advertising, including such detail and proof as we may require.

17.7 Grand Opening Advertising

You must develop a grand opening advertising campaign to promote opening of your Franchised Business to be implemented during the period six (6) weeks before anticipated opening through six (6) weeks after actual opening. You must spend at least six thousand dollars (\$6,000) (which equates to approximately five hundred dollars (\$500) per week for twelve (12) weeks, on the grand opening advertising campaign. You must submit your proposed grand opening advertising campaign plan to us for our approval and must implement the plan we approve.

17.8. Contribution to Regional and National Advertising

You must contribute at rates or amounts we specify from time to time, but you will not be required by us to contribute more than three percent (3%) or \$25 per month (whichever is higher) of your Gross Revenues (defined in Section 17.9 of this Agreement) to the EPAGA Brand Fund ("Brand Fund"). Your required payments to the Brand Fund will be made at the same time and in the same manner as, and in addition to, the Royalty Fee provided in Section 14.2. Such payment is additional to and will not reduce the sums you are required to spend on local advertising as required by Section 17.6.

17.9. Brand Fund

The Brand Fund, if and when established, will be maintained and administered by us or our designee, as follows:

(a) We will direct all brand and advertising programs with sole discretion over the creative concepts, materials and media used in such programs and their placement and allocation. You agree and acknowledge that the Brand Fund is intended to assist in developing general public recognition and acceptance of the Proprietary Marks for the benefit of the System and that we and our designee undertake no obligation in administering the Brand Fund to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from placement of advertising.

(b) The monies may be used to meet any and all costs of maintaining, administering, directing, producing and preparing promotions and advertising including, without limitation, the cost of conducting public relations activities, advertising and producing promotional brochures and other marketing materials to franchisees in the System. Funds paid by you to the Brand Fund may be commingled with our other funds or may be maintained in a separate account from our other monies, as we elect.

(c) The Brand Fund will not be used directly to solicit sales of franchises or to defray our general operating expenses, except for reasonable administrative costs and overhead, not to exceed twenty percent (20%) of amounts contributed to the Brand Fund, as we may incur in activities related to the administration or direction of the Brand Fund and advertising programs including, without limitation, conducting market research, preparing marketing and advertising materials and collecting and accounting for assessments for the Brand Fund.

(d) It is anticipated that all contributions to the Brand Fund will be expended for advertising and promotion purposes during our fiscal year in which contributions are made. If, however, excess amounts remain in the Brand Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of any current interest or other earnings of the Brand Fund, next out of any accumulated earnings and finally from principal.

(e) We maintain the right to terminate the Brand Fund. The Brand Fund shall not be terminated, however, until all monies in the Brand Fund have been expended for advertising and promotional purposes or returned to franchisees, or arrangements have been made for the foregoing. If terminated, we reserve the right to restart the Brand Fund or new Brand Fund.

(f) An accounting of operation of the Brand Fund shall be prepared annually and made available to you following your request. For periods of time when there are no requests, we can dispense with preparing this accounting. We are not required to, but can elect, at our option, to have any accounting include an audit by an independent certified public accountant selected by us. Preparation of accountings will be at the expense of the Brand Fund.

(g) For each EPAGA business offering services similar to the Franchised Business, owned by us or our affiliate, such entity shall make contributions to the Brand Fund similar to contributions required of franchises within the System. Due to the possible existence of different agreements with different franchisees at different times, such contributions by us may but need not be the same amounts or according to the same formula as is required of Franchisee in this Agreement.

17.10. Cooperatives for Advertising

We will have the right from time to time, to establish one or more local, regional or national advertising areas in which the Franchised Business and at least one (1) other franchised EPAGA businesses are located, as cooperative advertising region(s). You must participate in and contribute to the cooperative according to rules and procedures of the cooperative, as determined by a majority of its members, but not

to exceed three percent (3%) of Gross Revenues. Your contributions to the cooperative shall be additional to required contributions to the Brand Fund. We can require that proposed organizational documents of the cooperative (such as articles of incorporation and bylaws or the like) and operating procedures be consented to by us before adoption and conform to specifications and guidelines established by us. We shall have the right but no obligation, to participate in deliberations of the cooperative and veto any decision of the cooperative that we object to or consider detrimental to the interests of the System. We can require cooperatives to be formed, changed, dissolved or merged.

17.11. Notices

You must not advertise or use in advertising or any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of us without the appropriate © or ® registration marks or designation TM or SM where applicable. The registered marks and designations shall be used in conjunction with "EPAGA", the EPAGA logo, the Manual and any other copyright materials, trademark, service mark, or commercial symbols as may be developed.

17.12 Yellow Pages

You must place and maintain an advertisement satisfactory to us in at least one (1) printed yellow pages or other telephone directory that is acceptable to us and one (1) internet-based yellow pages or directory that is acceptable to us. The content and placement will be subject to our approval as provided above.

ARTICLE XVIII – RECORDS; REPORTING; FINANCIAL MANAGEMENT

18.1 Recordkeeping

You must keep complete and accurate records, including those we specify from time to time, from which all amounts payable under this Agreement and dates of accrual may be readily determined. You must keep the records at your business premises at all times, or in an online resource accessible by us. You must at all times keep us informed of the location of your records and provide us with the ability to access them at all times via high-speed internet connection.

18.2 Reporting

You must use a reporting and financial control system as we may specify. This includes maintaining on forms we approve or provide, a weekly sales report and monthly profit and loss and balance sheet statement accurately reflecting all activities of your Business; and other reports we specify, using methods of filing, record-keeping, bookkeeping, accounting and reporting we specify; and following methods for control, protection and records of cash and other forms of receipts, as we specify.

18.3 Reports

To enable us to verify Royalty Fees and other payments due under this Agreement and to be informed of your compliance, you must provide us periodic written reports in such form and at such frequency as we prescribe. You must provide us at all times, with on-line access to the reports.

18.4 Audit

We and our representatives shall have the right at all times during business days (which may include weekends or holidays when you operate on those days) to enter your Franchised Business or other location where books and records relating to the Franchised Business are kept, and to inspect, copy and audit the books and records, including, without limitation, your state and federal income tax, sales and use tax and personal property tax returns. We may do so in person or virtually or remotely using technology, at our

choice. You hereby waive any privileges with regard to tax returns. You must cooperate with the inspection and/or audit and provide and explain all records requested by the auditor or inspector.

18.5 Audit Results

If an audit or inspection discloses that you underpaid any amounts due under this Agreement, you must pay the underpaid amount immediately, together with interest at the rate stated in Section 14.6. If the audit or inspection is conducted due to your failure to provide required reports to us, or due to other irregularity or noncompliance by you, or if an inspection or audit reveals an understatement of two percent (2%) or more of any amounts reported by you to us for any week, month, quarter or year, then you must (a) pay us any underpaid amounts together with interest at the rate stated in Section 14.5, and (b) reimburse us all costs associated with conducting the inspection and/or audit, including professional charges, travel and lodging. These remedies do not permit underreporting or underpayment and do not waive the breach and are additional to other rights and remedies we may have, including but not limited to termination of this Agreement.

ARTICLE XIX - INDEMNIFICATION

19.1 Your Indemnification of Us and Others

You agree at all times to defend, at your own cost, and indemnify, defend and hold harmless to the fullest extent permitted by law, us, our affiliated entities and the members, shareholders, directors, managers, officers, employees, agents and representatives of each (collectively, "Indemnitees") from all losses, costs and expenses alleged or incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (whether or not reduced to judgment) or any settlement which arises out of or is based on: infringement by you or other violation by you of any patent, trademark or copyright or other proprietary right owned or controlled by third parties; violation or breach by you of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard; libel, slander or any other form of defamation or disparagement by you; violation or breach by you of any warranty, representation, agreement, or obligation in this Agreement; any acts, errors, or omissions by you; inaccuracy, lack of authenticity, or non-disclosure of any information by you; unapproved service provided by you at, from, or related to the operation of the Franchised Business; or any services provided by any affiliated or non-affiliated participating entity.

19.2. Scope

For Section 19.1 the reference to various kinds of actions or omissions by you, includes you and any of your agents, servants, employees, contractors, partners, proprietors, affiliates, or in any manner in connection with the Franchised Business. The various grounds for indemnification, defense and hold harmless also include allegations of any matters referred to in Section 19.1. The term "losses, costs and expenses" shall be deemed to include all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, attorneys' fees, experts' fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting, or replacing same, and any and all expenses of refunds, compensation, public notices, and other such amounts incurred in connection with the matters described. You agree to give us immediate notice of any such allegation, action, suit, proceeding, claim, demand, inquiry, or investigation.

19.3. Defense and Settlement

At your expense and risk, we may elect to assume (but we are not obligated to undertake) the defense and/or settlement of any action, suit, proceeding, claim, demand, inquiry or investigation, provided we will seek your input and keep you informed regarding settlement(s) we propose to offer or accept. Such undertaking by us shall not diminish your obligations to indemnify, defend and hold us harmless.

19.4. Our Indemnification of You

We agree to defend, at our cost, and indemnify and hold harmless you and your members, shareholders, managers, directors, officers, employees, agents and representatives from losses and expenses incurred in any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry or settlement which arises out of or is based on: infringement by us or violation by us of any patent, trademark, copyright owned by third parties.

ARTICLE XX – PROTECTION OF CONFIDENTIAL INFORMATION

20.1 Maintaining Confidentiality

You must not, during the term of this Agreement or at any time after, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or entity any Confidential Information or Know How concerning customer identities and information, methods of operation of the Franchised Business which may be communicated to you, or which you may learn by virtue of operating the Franchised Business under this Agreement. You may divulge Confidential Information only to those of your employees or officers and directors who must have access to it to perform their work operating the Franchised Business. Any and all information, knowledge and Know How, including, without limitation, the materials, equipment, specifications, techniques, and other data that we designate as confidential shall be deemed confidential, except information which you can demonstrate you knew prior to our disclosure to you; or which, at the time of disclosure by us to you, was already part of the public domain through publication by others; or which, after disclosure to you by us, becomes part of the public domain through publication by others, but only from and after the time of such publication.

20.2. Restrictions on Personnel

You must require all personnel having access to any Know How or Confidential Information provided by us, or otherwise having a role in soliciting or providing services to customers, to execute written covenants to maintain the confidentiality of information they received in their employment or engagement by you, substantially equivalent to a form supplied by or approved by us, including, without limitation, identifying us as a third-party beneficiary of the covenants with the independent right to enforce them.

20.3. Acknowledgement

You acknowledge and agree that any actual or threatened failure to comply with requirements of this Article XX will cause us immediate and irreparable injury, not fully compensable or remediable by payment of money damages, permitting us with or without notice to seek and obtain immediate injunctive relief without the need to post a bond. You agree to pay all court costs and attorneys' fees incurred by us when we seek specific performance or an injunction or other relief against threatened or actual violation by you of the requirements of this Article XX.

ARTICLE XXI - COVENANTS NOT TO COMPETE

21.1 In-Term Covenants

You acknowledge that, pursuant to this Agreement, you will receive valuable training and Confidential Information, including, without limitation, information regarding promotion, operation, sales, and marketing methods and techniques of us and the System, and that the restrictions against competing in this Article XXI are fair and reasonable and will not impose undue hardship on you, that you have other considerable skills, experience, and education which afford you the opportunity to derive income from other endeavors. You agree that during the term of this Agreement you will not, directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons, or entity, do any of the following:

(a) Divert or attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act harmful to the goodwill associated with the Proprietary Marks and/or System;

(b) Own, maintain, advise, assist, consult, help, invest in, make loans to, be employed by, engage in, or have any interest in any business specializing, in whole or in part, in the activities conducted by you, and any other type of service which you may be authorized to provide under this Agreement,

(c) Offer services for which a professional license or other government consent is required separately from the Franchised Business, and not offer such services (whether or not Franchisee possesses such license or government consent) as part of the Franchised Business without prior written consent from us.

21.2 Post-Term Covenants

You agree that you shall not, for a continuous uninterrupted period starting on expiration or termination of this Agreement, regardless of the cause for termination, or on transfer of this Agreement or the Franchised Business and continuing for twelve (12) months thereafter (and in case of any violation of this covenant, during the period of the violation and, without waiving the breach during the period of violation, for twelve (12) months after the violation ceases), directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person, persons or entity, own, maintain, advise, assist, consult, help, invest in, make loans to, be employed by, engage in, or have any interest in any business specializing, in whole or in part, in the activities conducted by you or any other type of service which you may be authorized to render hereunder, that is located or operates within a radius of one hundred (100) miles of your premises or Approved Location; or within a radius of one hundred (100) miles of the location of any business using the System and/or Proprietary Marks, whether franchised or owned by us or our subsidiary or affiliated companies.

21.3 Amendment of Covenants

Each of the above 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 Article XXI is held to be unreasonable or unenforceable by a tribunal having jurisdiction in a final decision to which we are a party, the tribunal is hereby requested to enforce, and you agree to be bound by, that lesser covenant, that is within the scope of the terms of the original covenant, that imposes the maximum duty permitted by law as if the resulting covenant were separately stated in and made part of this Article XXI.

21.4 We May Amend Covenants

You acknowledge and agree that we will have the right, in our discretion, to reduce the scope of any covenant in Sections 21.1 and 21.2 of this Agreement, or portion thereof, without need for your further consent, effective on your receipt of written notice. You agree to comply with any covenant as so reduced.

21.5 Existence of Claim

The existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Article XXI.

21.6 Injunction

You acknowledge and agree that any threatened or actual failure to comply with the requirements of this Article XXI or other provision of this Agreement may cause us to suffer immediate and irreparable injury for which no adequate remedy at law may be available, and you consent to the *ex parte* entry of injunctive relief, granted without need for posting of bond, prohibiting conduct by you in violation of the terms of this Article XXI or other provision of this Agreement. You agree that your sole remedy in the

event of the entry of such injunctive relief shall be the dissolution of the injunctive relief, if warranted, on hearing duly had; you waive all claims for damages by reason of wrongful issuance of any such injunction.

21.7 Additional Covenants

At our request, you shall require and obtain execution of covenants substantially equivalent in scope to those in this Article XXI (including covenants applicable on the termination of a person's relationship with you) from: (a) key persons employed by you who received training from us; (b) members, managers, directors, officers and holders of a beneficial interest of five percent (5%) or more of the securities or interests of you, and of any entity directly or indirectly controlling you, if you are an entity; and (c) the general partners and any limited partners (including any entity, and the members, managers, directors, officers and holders of a beneficial interest of five percent (5%) or more of the securities of any entity which controls, directly or indirectly, any general or limited partner), if you are a partnership. Each covenant required to be executed pursuant to this Section 21.7 shall be on a form supplied by or approved by us, including, without limitation, identification of us as a third-party beneficiary of the covenants with the independent right to enforce them.

ARTICLE XXII - ASSIGNMENT AND RIGHT OF FIRST REFUSAL

22.1 Assignment by Us

We will have the right to assign, transfer or sell our rights under this Agreement to any person or entity, in whole or in part, on one or more occasions. On assignment and assumption, we shall be under no further obligation hereunder, except for any accrued liabilities. You acknowledge and agree that we may go public; engage in a private placement of some or all of our securities; merge, acquire entities, be acquired; and/or undertake refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. These may include any such transactions with or involving competitive or non-competitive franchises, chains or other business, regardless of location(s), and we may operate, franchise or license those businesses and/or facilities as "EPAGA" businesses operating under the Proprietary Marks or other marks following such transaction. In some instances such locations could be close to or overlap your location or Territory or area you service.

22.2 Assignment by You

Neither your interest in this Franchise Agreement nor any of your rights hereunder, nor the Franchised Business nor any interest therein, may be assigned, transferred, shared or divided, voluntarily or involuntarily, directly or indirectly, in whole or in part, without our prior written consent, and without your first complying with Section 22.3. The term "assignment" includes actual or purported assignment, sale, transfer or other arrangement having the purpose or effect of shifting ownership or control interests in the Franchised Business. Any actual or purported assignment of this Agreement or of the Franchised Business in violation of the terms in this Agreement shall be null and void and of no effect and shall be an incurable breach of this Agreement. The actual or purported transfer in the aggregate of fifty (50%) percent or more of the Franchised Business shall also be deemed to be an "assignment."

22.3. Conditions to Our Consent

We can require or make any or all of the following, conditions to giving our consent to any proposed assignment:

(a) The proposed assignee must submit an application meeting our requirements with curriculum vitae/resume and credit application and must consent to a background/credit check and any additional investigation to be conducted by us or by a service provider we designate.

(b) The proposed assignee must demonstrate skills, qualifications, licensing and economic resources necessary, in our judgment, to conduct the Franchised Business and to fulfill its obligations to you and to us.

(c) The proposed assignee must expressly assume in writing all of your obligations under this Agreement.

(d) As of the date of such assignment, you shall have fully complied with all your obligations to us, whether under this Agreement or law or any other agreement, arrangement or understanding with us.

(e) The proposed assignee must execute a new Franchise Agreement in the form and on the terms and conditions then being offered by us to franchisees, except the assignee shall not be obligated to pay another Initial Franchise Fee. The term of the new Franchise Agreement shall equal the then-remaining term of this Agreement, or at our option, the term of Franchise Agreements then being offered by us.

(f) You must pay us a transfer fee equal to ten percent (10%) of the sale price but not less than ten thousand dollars (\$10,000).

(g) The assignee shall satisfactorily complete the training then required of new franchisees.

(h) We shall be provided full copies of all proposed agreements between you and any proposed assignee and full copies of all correspondence, communications, offers, letters of intent and other related documentation.

(i) You shall have executed a general release in a form satisfactory to us of any and all claims, known and unknown, against us, our affiliates and our respective shareholders, members, managers, directors, officers and employees in their entity and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

(j) The assignee shall not be affiliated in any way with a competitor of ours.

(k) Other conditions and requirements that are reasonable in the circumstances for us to impose.

22.4. Death or Disability

On your death, or if you are determined to suffer a legal incapacity (or, if you are an entity, then on death or legal incapacity of the shareholder, member, manager, officer or partner principally responsible for the operation of Franchised Business), the transfer of your interest to your heirs, legatees, personal representatives or conservators, surviving partner(s) or fellow shareholder(s), as applicable, shall not constitute an "assignment" and shall not give rise to our right of first refusal to purchase the Franchised Business set forth in Section 22.8, if all the following conditions are met:

(a) The heirs, legatees, personal representatives, conservators, surviving partner(s) or fellow member(s) or shareholder(s), as applicable, meet our standards for qualification of new franchisees and agree in writing to be bound by the terms and conditions of this Agreement.

(b) Within ninety (90) days of the death or incapacity, a person designated by your heirs, legatees, personal representative(s), conservator(s), surviving partners or fellow shareholders/members, as applicable, shall have satisfactorily completed our then-current training requirements.

(c) Until the person(s) indicated above have qualified, we may elect to, but are not obligated to, conduct interim operation as provided in Section 22.6.

22.5. Training in Event of Assignment

In the event of a valid and complete assignment of the Franchised Business by you to a third party, or assignment in event of death or disability, we will be willing to provide training to the third party according to our then-applicable training procedures; we may require the assignee franchisee to pay our then-current training fee for each individual required or designated to be trained, in addition to any fees or other requirements related to the assignment.

22.6. Operation by Us

To reduce or avoid interruption of the Franchised Business operations which would cause harm to the Franchised Business, thus lowering its value, you authorize us, at our option, if you die or are absent for any reason or are incapacitated by reason of illness or other reason or if you are in breach, and are unable, in our judgment, to operate the Franchised Business, to operate the Franchised Business for as long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement or otherwise. All monies from the operation of the Franchised Business during operation by us shall be kept in a separate account, and expenses of the Franchised Business, including compensation and expenses for our representatives, shall be charged to and paid from that account. You agree to pay us a reasonable fee on a per diem basis for our operation of the Franchised Business pursuant to this paragraph. That fee will be due regardless of the results of our operation. At the time of entering into this Agreement our per diem rate is \$500 per day. You agree to indemnify, defend and hold harmless us and any representative and personnel of ours who may act hereunder to temporarily operate the Franchised Business, from any and all acts we may perform. You release all the foregoing for and agree not to bring any claim or cause of action arising from or relating to actual or claimed failure, omission, deficiency or affirmative act of any kind or nature in their operation of the Franchised Business under this Section, but this sentence shall not release willful intentional dishonesty.

22.7 Transfer to a Corporate Entity

If you wish to transfer your interests to an entity formed by you solely for convenience of ownership, you must obtain our prior written consent. We can require or make any or all of the following, conditions to giving our consent to the proposed assignment:

(a) You must be the owner of all the voting stock or membership interests or other applicable equity and voting interests of the entity, or, if you comprise more than one (1) individual, each such individual shall have the same proportionate ownership interest in the entity as he/she/it held in Franchised Business prior to the contemplated transfer.

(b) Appropriate forms of entity resolutions and minutes, have been duly adopted and are provided to us prior to the transfer.

(c) You pay us a transfer fee in the amount of two thousand five hundred dollars (\$2,500).

(d) Other conditions and requirements that are reasonable in the circumstances for us to impose.

22.8 Right of First Refusal

Your right to assign, transfer or sell your interest in this Agreement (voluntarily or by operation of law) and/or the Franchised Business shall be subject to our right of first refusal. We shall have the right to be offered by you the opportunity to purchase the interest in this Agreement and/or the Franchised Business on the terms and conditions which have been offered to and accepted by a third party, or offered by a third party and accepted or proposed to be accepted by you, in a wholly arms-length transaction. Our right of first refusal shall be exercised as follows:

(a) You shall serve on us a written notice stating all terms and conditions of the proposed assignment, stating the purchase price and complete information regarding the identity, financial standing and character of the proposed purchaser. You shall attach to the notice a copy of a binding agreement or proposed agreement between you and the proposed purchaser. It shall be subject to our right of first refusal.

(b) Within thirty (30) days after our receipt of the notice (or, if we request additional information, within thirty (30) days after receipt of the additional information), we may, at our option, purchase the Franchised Business on the terms and conditions in the notice and agreement attached thereto. We will have the right to substitute money for any nonmoney consideration. If the agreement and terms include other assets or property we will have the right, at our election, to accept the transaction involving only the Franchised Business and not include the other assets or property with the price adjusted accordingly.

(c) If we elect not to exercise our right of first refusal and consent to the assignment, you shall, subject to the provisions of this Article, be free to assign this Agreement and/or the Franchised Business to the proposed assignee on the terms and conditions in the notice and the agreement attached thereto. If the terms of the agreement are modified after submission to us, our right of first refusal shall start again.

22.9 No Security Interests

You shall have not right or power to and you shall not pledge, encumber, hypothecate or otherwise grant any third party any security interest in this Agreement or in the Proprietary Properties or the Franchised Business in any manner whatsoever without our express written consent. Our consent may be withheld for any reason or no reason.

ARTICLE XXIII - BREACH AND TERMINATION

23.1 Termination Without Notice

You shall be in breach of this Agreement, and all rights granted to you herein shall automatically terminate without notice to you, if you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereon by any sheriff, marshal, or constable.

23.2 Termination Without Right to Cure

On the occurrence of any of the following events, you shall be deemed to be in breach and we may, in our sole and exclusive discretion, terminate this Agreement and all rights granted hereunder without affording you any opportunity to cure the breach. Termination under this Section shall be effective immediately on the earlier of the occurrence of any of the following or receipt of notice by you:

23.2.1 If you abandon the Franchised Business by failing to operate for five (5) consecutive days, or shorter period after which it is reasonable for us to conclude you do not intend to continue to operate the Franchised Business;

23.2.2 If you, or any owner or shareholder, director or officer of a corporate franchisee, or any member or manager of a limited liability company franchisee, or any partner or officer of a franchisee conducting business as a partnership, are/is charged with or convicted of or plead guilty or no contest to a felony, fraud, crime involving moral turpitude or other crime or offense we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, or their goodwill or any of the foregoing become subject to media attention for actual, alleged or rumored misconduct that we believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, or their goodwill;

23.2.3 If you made or make any material misrepresentation relating to the creation, acquisition or operation of the Franchised Business or engage in conduct that we believe reflects materially and unfavorably on the operation and reputation of the Franchised Business, us or the System;

23.2.4 If you fail, for a period of ten (10) days after notification of non-compliance by any government authority, to comply with a federal, state or local law, regulation or requirement applicable to the operation of the Franchised Business, and fail promptly to notify us of the notification and steps taken to cure the non-compliance;

23.2.5 If you repeatedly fail to comply with one (1) or more requirements of this Agreement, whether or not the failures are ultimately corrected;

23.2.6 If two (2) breaches by you occur within any twelve (12) month period, regardless of whether a prior breach was cured;

23.2.7 If your breach of this Agreement is by its nature incapable of being cured;

23.2.8 If you fail to attend and successfully complete the Training Program;

23.2.9 If you (or any of your shareholders, directors, officers, partners, members or employees) acquire any interest in a business similar to the Franchised Business, except that you or such other persons may own less than five percent (5%) of the shares of any company listed on any national or regional securities exchange or whose shares are traded through a recognized exchange;

23.2.10 If you engage in unauthorized use or duplication of any aspect of our business, services or products;

23.2.11 If you engage in the unauthorized disclosure of any Confidential Information or Know How relating to us, the Franchised Business or the System;

23.2.12 If you violate any covenant not to compete in Article XV of this Agreement;

23.2.13 If you fail to start operating the Franchised Business within the time provided in this Agreement;

23.2.14 If you misrepresent, substitute or “palm off” non-authentic services and/or products for or as our services and/or products;

23.2.15 If you knowingly maintain false books or records or submit any false reports to anyone;

23.2.16 If you purport to sell, assign, transfer or sublicense any rights or obligations or interest in this Agreement or the Franchised Business or in you to any third party without our prior written consent or otherwise in violation of this Agreement;

23.2.17 If you violate any state or federal law or ordinance that in any manner relates to or impacts on the provision of or ability to provide the Products and Services hereunder by you as an entity, or by any individuals who exercise any level of dominion or control over your operations, including, without

limitation, a conviction based on such a violation, allegation or charge of such violation without explanation that we shall deem to be reasonably satisfactory, or failure on your part to inform us of the existence of, threat of, charge or allegation of, or conviction of such violation;

23.2.18 If you fail or refuse to perform the Services or provide the Products for your customers;

23.2.19 If your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners violate any such law, ordinance, or regulation.

23.2.20 If you fail to pay us the Royalty Fee or other amount owed to us, and fail to cure the breach within five (5) days of your receipt of a breach notice.

23.3 Termination With Right to Cure

Except as provided in Sections 23.1 and 23.2, you shall have thirty (30) days after receipt from us of written notice of termination to remedy a breach (or, if the breach cannot be cured in such thirty (30) days, to initiate within that time substantial and continuing action to cure the breach) and to provide proof to us. If any breach is not cured in that time (or if substantial and continuing action to cure is not begun in that time), or such other period as applicable law may require, this Agreement shall terminate without further notice to you effective immediately on expiration of the thirty (30) day period, or such longer period as applicable law may require. Such breaches include, but are not limited to, any of the following:

23.3.1 If you fail, refuse or neglect promptly to pay when due any monies owed to your landlord or other third party or you fail, refuse or neglect promptly to submit financial or other information required or requested by us under this Agreement, or made or make any false statement in connection therewith;

23.3.2 If you fail to operate the Franchised Business according to the provisions or requirements of this Agreement or the Manual;

23.3.3 If you fail to obtain our prior written approval or consent where the same is required pursuant to this Agreement;

23.3.4 If you misuse, or use in an unauthorized manner, any of the Proprietary Marks, Know How or Copyrights or materially impair the goodwill associated therewith or our rights therein;

23.3.5 If you participate in any business or in the marketing of any service or product under a name or mark which, in our opinion, is confusingly similar to any of the Proprietary Marks;

23.3.6 If you offer or sell, as part of the Franchised Business, any unapproved service or fail to offer or provide on a regular basis all services which comprise part of the System;

23.3.7 If you, by act or omission, permit a violation of any law, ordinance, rule or regulation of any government entity to remain uncorrected in the absence of a good faith dispute over its applicability or legality and without promptly seeking administrative or judicial relief;

23.3.8 If you fail to obtain and maintain all required insurance policies or fail to name us as an additional insured thereunder in accordance with the terms of this Agreement; or

23.3.9 If we determine that you or any of your managers is in our subjective opinion, not qualified (or is no longer qualified) to act as manager, and we determine in our subjective judgment that you are and your manager are not likely to be able to be qualified, as provided in Section 11.4.9. On termination pursuant to this provision, we will return the initial franchise fee that you paid, less twenty percent (20%) which we may retain on account of our costs and expenses.

23.4 Cross-Breach, Non-Exclusive Remedies

Breach by you (or any person/company affiliated with you) may be regarded as a breach under any other agreement between us and you. Breach by you (or any person/company affiliated with you) under any other agreement between us (or any of our affiliates) and you (or any person/company affiliated with you), and any breach by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) may be regarded as a breach under this Agreement. Any breach by you (or any person/company affiliated with you) under any agreement with any of our affiliates may be regarded as a breach under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of our affiliates). In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. Any right or remedy we may have (including termination) is not exclusive of any other right or remedy under law or equity. We may pursue any rights and/or remedies available.

23.5 Limitation on Rights of Termination

If applicable law or regulation limits our rights of termination or requires longer notice than stated above, this Agreement shall be deemed to be extended to satisfy the minimum notice periods or restrictions on termination required by such laws and regulations to allow sufficient notice of termination. We shall not be precluded from contesting the validity, enforceability or application of such law or regulation.

23.6 Errors and Admissions

For purposes of this Agreement, including this Section and all provisions of this Agreement, the acts and omissions of Franchisee, Franchisee's managers and employees of Franchisee shall be deemed to be and are the acts and omissions of Franchisee and Franchisee is and shall be deemed to be responsible for such acts and omissions.

ARTICLE XXIV - OBLIGATIONS AND RIGHTS ON TERMINATION OR EXPIRATION

24.1 Stop Use of Proprietary Properties

In the event of termination or expiration of this Franchise Agreement, you shall stop using the Proprietary Marks, Know How and Copyrights, and you shall not thereafter operate or do business under any name or in any way that could give the general public the impression that you are or were affiliated with us or any "EPAGA" business, and you shall not thereafter use, in any way, or for any purpose, directly or indirectly, any of our Confidential Information, knowledge or Know How concerning the operation, products, services, trade secrets, procedures, policies, techniques or materials or by virtue of the relationship established by this Agreement, including, without limitation, the following:

24.1.1 Standards, specifications or descriptions of our Products and Services;

24.1.2 Our Manual and any supplements;

24.1.3 Any forms, advertising matter, marks, devices, signs, insignia, slogans or designs used from time to time in connection with the Franchised Business;

24.1.4 Any copyrights, trademarks and trade names and any marks, logos, words or phrases confusingly similar thereto or colorable imitations thereof;

24.1.5 Any telephone number listed in any telephone directory under the name "EPAGA" or any similar designation or directory listing which relates to the Franchised Business; and

24.1.6 Any and all of the systems, procedures, techniques, criteria, concepts, designs, advertising and promotional techniques, products or service specifications, and all other components, specifications and standards which comprise (or in the future may comprise) part of the System.

24.2 Cancellation of Name

On termination or expiration of this Agreement, you must take all action needed to cancel any assumed name or equivalent registration which contains any name or mark identical or similar to “EPAGA” or other name, trademark or service mark of ours, and you shall provide us proof of performing this obligation within ten (10) days after the termination or expiration of this Agreement.

24.3 We are Attorney-in-Fact

We may, if you fail or refuse to do so, but we are not obligated, to execute in your name and on your behalf any documents we deem necessary or useful to cause discontinuation of your use of the name “EPAGA” or related or similar name. You hereby irrevocably appoint us as your attorney-in-fact to do so.

24.4 Continuation of Obligations

Expiration or termination of this Agreement shall be without prejudice to our rights against you, and such expiration or termination shall not relieve you of any obligations to us existing at the time of expiration or termination or terminate obligations of yours which by nature survive expiration or termination of this Agreement.

24.5 Stop Using Phone Numbers; Social Media Addresses

On termination or expiration of this Agreement, you must cease and desist from using any telephone and/or cellular telephone number(s) listed in any telephone directory under the name “EPAGA” or any other name similar thereto, and any social media address(es) associated with the Franchised Business, and, on our demand, direct the telephone company(s) servicing the Franchised Business and social media website(s) to transfer the telephone number(s) and social media addresses to us, or to such other person or persons at such location or locations as we shall direct.

24.6 Payment of Sums Due

On termination or expiration of this Agreement, you must promptly pay all sums owing to us and our affiliates. In the event of termination based on your breach, such sums shall include all damages, costs and expenses (including actual attorneys’ fees) incurred by us as a result of the breach. The obligation created hereunder shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, signs, inventory, fixtures or other assets owned by you at the time of breach.

24.7 Post-Term Covenants

On termination or expiration of this Agreement, you must comply with the post-term covenants not to compete set forth in Article XXIV.

24.8 Our Option to Buy

24.8.1 On termination or expiration of this Agreement for any reason, we or our designee shall have the option (but not the obligation) for a period of sixty (60) days from such termination or expiration to purchase all of your right, title and interest in the Franchised Business (including, without limitation, inventory and supplies). If we or our designee elect to exercise this right to purchase, it will be for a purchase price (the “Purchase Price”) equal to the lesser of: (i) the depreciated book value of all tangible assets in

place and owned by you as of the date of our (or our designee's) exercise of such option; or (ii) the fair market value of all such assets as determined by the application of generally accepted accounting principles less the total of (a) the amount of any indebtedness remaining against or secured by any such assets; (b) the amount of any indebtedness or obligation owed by you to us and our affiliates; (c) the amount of any indebtedness or obligation for which you are or the Franchised Business is liable (directly or indirectly, contingently or otherwise) and for which we are or may become liable (directly or indirectly, contingently or otherwise) on acquiring the Franchised Business or otherwise; and (d) all amounts advanced by us, or which we have paid, or which we have become obligated to pay, on your behalf for any reason whatsoever (including, without limitation, interim sums required to be advanced for operations prior to the date of our (or our designee's) exercise of the option granted hereunder).

24.8.2 If the parties cannot agree on the Purchase Price within a reasonable time, an independent appraiser shall be designated by us, and his determination of the Purchase Price shall be binding on us and you. The cost of such appraisal shall be borne by you.

24.8.3 We (or our assignee) will pay the purchase price at the closing, which will take place not later than sixty (60) days after the purchase price is determined, although we (or our assignee) may decide after the purchase price is determined not to exercise our purchase option. At the closing, you agree to deliver instruments transferring to us (or our assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; and (b) all of the Business' licenses and permits which may be assigned or transferred.

24.8.4 If we exercise our option to purchase the Franchised Business, you agree fully to cooperate in effectuating such transaction and undertakes to use your best efforts to provide us and our designees with all such data and documentation as reasonably may be required to give effect to the purposes of this Section.

24.8.5 If we do not elect to exercise the foregoing option to purchase the Franchised Business, you shall immediately return to us all materials which bear any of the Proprietary Marks, trade names or copyrighted material. You shall also destroy any and all materials not otherwise required to be returned to us in accordance with this Agreement or the Manual. Contemporaneously, you shall return to us all copies in your possession of materials and documents (including, among other things, the Manual, corporate records and files, correspondence, brochures, agreements, and disclosure statements) relating to the grant or operation of the Franchised Business.

24.9 Liquidated Damages

24.9.1. On termination of this Agreement, you agree to pay to us within fifteen (15) days after the effective date of this Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Royalty Fees you paid to us during the twelve (12) months of operation preceding the effective date of termination multiplied by (a) twenty-four (24) (being the number of months in two full years), or (b) the number of months remaining in this Agreement had it not been terminated, whichever is less.

24.9.2. The parties acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

24.9.3. The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to its reputation with the public and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. You and each of your owners agree that the liquidated damages provision does not give us an adequate

remedy at law for any breach under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

24.10 Enforcement Costs

In the event of expiration or termination, you will be responsible for payment of all legal fees, court costs, collection fees and interest incurred in enforcing this Agreement. In any litigation between the parties with respect to this Agreement, the party in whose favor a judgment is entered shall also be entitled to recover, and the other party agrees to pay, its reasonable attorneys' fees and expenses.

ARTICLE XXV - MODIFICATION OF SYSTEM

25.1 Changes

You acknowledge that to meet changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other market place variables, and to best serve the interests of us, the System may, in our discretion, need to change and develop. You acknowledge and agree that we may from time to time change components of the System, including, but not limited to, products, programs, services, methods, standards, forms, policies and procedures of the System; deleting from or modifying services, programs and products that your Franchised Business is authorized and required to offer; modifying or substituting vehicles, equipment, signage, trade dress, décor, color schemes and uniform specifications and other attributes which you are required to observe; and changing, improving, modifying or substituting Proprietary Properties. You agree to comply with modifications, changes, additions, deletions, substitutions and alterations. You shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed.

25.2 Non-Liability

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated hereby. You agree not to commence or join in any litigation or other proceeding against us or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. Finally, you expressly waive any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

ARTICLE XXVI – SOLVING DISPUTES

26.1 Severability and Substitution of Valid Provisions

Each section, paragraph, term and provision of this Agreement, and portion thereof, shall be severable and if any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which we are a party, that ruling shall not impair the operation of, or have any other effect on, such other portions of this Agreement as remain intelligible, which shall continue to be given full force and effect and bind the parties, although any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires, if you are a party; otherwise on your receipt of written notice of non-enforcement thereof from us. If any covenant herein which restricts competitive activity is deemed enforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, you and we agree that same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to enter into a successor franchise agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any

specification, standard or operating procedure prescribed by us is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof, and we shall have the right, in our sole discretion, to modify such invalid or enforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. Such modification(s) to this Agreement shall be effective only in such jurisdiction, unless we elect to give it greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions. You agree to be bound by any such modification to this Agreement.

26.2 Waiver

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction on the other under this Agreement, effective on delivery of written notice thereof to the other. Any waiver granted by us shall be without prejudice to any other rights we may have, will be subject to our continuing review and may be revoked, in our sole discretion, at any time and for any reason, effective on delivery to you of ten (10) days' prior written notice. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of us or you to exercise any rights under this Agreement or to insist on exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature, with respect to other EPAGA Franchised Businesses; or the acceptance by us of any payments due from you after any breach of this Agreement.

26.3 Force Majeure

Neither we nor you shall be liable for loss or damage or deemed to be in breach of this Agreement if a temporary failure to perform obligations results from: (1) transportation shortages, inadequate supply of equipment, merchandise, supplies, labor, material or energy, or disruption of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof; (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, or municipal government or any department or agency thereof; (3) acts of God; (4) fires, strikes, embargoes, war or riot or epidemic; or (5) other similar event or cause that likewise could not be anticipated and is beyond a party's ability to control or overcome. Delay resulting from any of these causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes shall not extend the expiration date of this Agreement and shall not excuse payments of amounts owed at the time of such occurrence or payment of Royalty Fees, Fund contributions or other monetary payments due or that come due to us.

26.4 Rights are Cumulative

Our and your rights hereunder are cumulative and no exercise or enforcement by us or you of any right or remedy hereunder shall preclude your or our exercise or enforcement of any other right or remedy hereunder or which we or you are entitled by law to enforce.

26.5 Costs and Attorneys' Fees

If we incur expenses in connection with your failure to pay when due amounts to us, to submit when due any reports, information or supporting records or otherwise to comply with this Agreement, you shall reimburse us for any such costs and expenses which we incur, including but not limited to reasonable legal, accounting and related fees.

26.6. Jurisdiction and Venue

You and your controlling principals irrevocably submit to the jurisdiction of the United States District Court for the District of Montana and the state and local courts of Montana in and for Flathead

County, Montana as the exclusive jurisdiction and venue for any and all litigation of disputes. You and your controlling principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. However, with regard to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring action in any state or federal district court which has jurisdiction. With respect to all claims, controversies, disputes or actions related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Montana law.

26.7 Uniform Application

You, the controlling principals and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 20.6.2 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, the controlling principals and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated for in good faith and are part of the benefit of the bargain reflected by this Agreement.

26.8. Location of Signing

You, the controlling principals and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Flathead County, Montana or wherever the parties agree upon,, and further acknowledge that your performance of certain obligations arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain of our training requirements, shall occur in Flathead County, Montana.

26.9 Attorney Fees and Costs

In any dispute, the prevailing party shall be entitled to recover from the other party the amount of all reasonable attorneys' fees of counsel and all other expenses reasonably incurred in enforcing such obligation or in defending against such claim, demand, action, or proceeding, whether incurred prior to or in preparation for or contemplation of the filing of such action or thereafter.

26.10 Governing Law

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the Franchise and the relationship of the parties shall be governed by the laws of the State of Montana, without regard for its conflicts of laws principles.

26.11 Waiver of Punitive Damages

The parties waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages, except punitive or exemplary damages allowed under federal statute. The parties agree that, in the event of a dispute between them, the party making a claim shall be limited to recovery of any actual damages it sustains.

26.12 You May Not Withhold Payments

You agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations hereunder, withhold payment of any Royalty Fees, Fund contributions, amounts due to us for purchases by you or any other amounts due to us.

26.13 Binding Effect

This Agreement is binding on the parties and their respective executors, administrators, heirs, assigns and successors in interest. Subject to our right to modify the Manual, this Agreement shall not be modified except by written agreement signed by you and us.

26.14 Construction

The preambles and exhibits are a part of this Agreement which, together with the Manual, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document that we provided to you. The term “Franchisee” as used herein is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee hereunder, their obligations and liabilities to us shall be joint and several. References to “Franchisee” and “transferee” which are applicable to an individual or individuals shall mean the principal owner(s) of the equity or operating control of Franchisee or the transferee, if Franchisee or the transferee is a corporation, limited liability company or partnership. References to “controlling interest” in Franchisee shall mean greater than fifty percent (50%) of the equity or voting control of Franchisee. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs.

26.15 No Third-Party Beneficiaries

Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies on any person or legal entity not a party hereto with the exception that the persons and entities referred to in Article XXVI to be indemnified, defended and held harmless, are each third party beneficiaries with the right to enforce such indemnity, defense and hold harmless obligations for their benefit, even though they are not signers of this Agreement.

ARTICLE XXVII – DEFINITIONS

In addition to other terms defined in this Agreement, the following definitions shall govern this Agreement:

(a) “Confidential Information” means all of our Know How (as defined below) and other information we designate as confidential and which includes, but is not limited to: (1) site selection and design specifications; (2) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating EPAGA Businesses; (3) marketing and advertising programs for Franchised Businesses; (4) knowledge of specifications for and suppliers of, and methods of ordering, certain materials, equipment and supplies; (5) knowledge of the operating results and financial performance of Franchised Businesses other than your Business; (6) terms of this Agreement or any other agreement between you and us; (7) the Electronic Operations Manual; (8) graphic designs and related intellectual property; (9) customer lists and information; and (10) our intranet.

(b) “Copyrights” means all work rendered in a tangible medium of expression as defined under U.S. Copyright Law, 17 U.S.C. Sec. 101, *et seq.*, that relates to the Franchised Business, whether published or unpublished, whether confidential or not, whether created by us or one (1) or more of our affiliates or franchisees, assigned hereunder to and owned by us and licensed for use by you as part of the Franchised Business under this Agreement, including without limitation, the Confidential Electronic Operations Manual.

(c) “Franchised Business” means a business operated under the System and Proprietary Marks as licensed to you hereunder to use from your Approved Location.

(d) “Know How” means our: (a) trade secrets and know-how, whether existing now or created during the term of this Agreement by us and/or one (1) or more of our affiliates or franchisees (and assigned back to us), as conveyed to you, that relates to, *inter alia*, our services and/or processes, marketing practices, and business methods, affairs, tools and techniques, as well as including our customer or prospective customer lists and trade relationships including pricing information, which tends to give us and our network of franchisees a competitive edge over others who provide the same or similar products or services; (b) inventions that may be protected by the filing of U.S. patent applications under Title 35 of the United States Code and/or foreign statutory counterparts; and (c) all unpublished or otherwise confidential work that has been rendered and “work made for hire” protected under Title 17 of the United States Code and other applicable foreign copyright statutes. Know How need not take the form of any particular tangible medium of expression, but may also be found or contained in the form of records, magnetic or electronic media, papers, photos, catalogs, books, computer files, or stored or fixed in cloud storage and/or on computer thumb, hard or soft drives or other media.

(e) “Proprietary Marks” means all the trademarks, service marks, logos, emblems, and indicia of origin licensed to and used or contemplated to be used by us and/or one (1) or more of our affiliates, area representatives or franchisees, including, but not limited to, the trade dress, the mark and logo of “EPAGA”, and other such trade names, service marks and trademarks as may be designated now or hereafter by us.

(f) “Proprietary Properties” means the Confidential Information, Copyrights, Know How, and Proprietary Marks.

(g) In this Agreement the word “must” and/or “will” mean “shall” and have the effect of imposing of a mandatory obligation on the party who, this Agreement states, “must” or “will” perform an act.

ARTICLE XXVIII - GENERAL PROVISIONS

28.1. Relationship

The parties shall be deemed to be independent contractors. This Agreement is not intended to create and shall be deemed not to create any fiduciary, partnership, principal-agent, legal representative, parent-subsubsidiary, joint venture or employer-employee relationship.

28.2 Notifying Public of Independent Contractor Relationship

You shall hold yourself out to the public only as an independent contractor operating the business pursuant to a franchise granted by us. You shall take such affirmative steps as may be necessary or as we may specify to communicate the independent contractor relationship, including, without limitation, giving public notice in conspicuous places at your Premises, on invoices, stationery, business cards and advertising noting that you are an independent contractor operating the business under a franchise granted by us.

28.3 Our Business Judgment

You acknowledge and agree we may operate and change the System and its business in any way that is not expressly and specifically prohibited by this Agreement. Whenever we have reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant you a right or to take or withhold an action, or to approve or consent or withhold approval or consent, we may make the decision or exercise our right and/or discretion on the basis of our judgment of what is in our best interest, including without limitation our judgment of what is in the best interest of the System, without regard to whether: (a) other reasonable alternative decisions or actions, or arguably preferable alternative decisions or actions, could have been made by us; (b) our decision or the action taken or withheld promotes our financial or other individual interest; (c) our decision or action applies differently to you and one or more other franchisees or company-owned or affiliate-owned operations; or (d) our

decision or the exercise of our right or discretion is adverse to your interests. We will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants us a wide range of discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder. In no event will you make any claim, whether directly, by way of setoff, counter-claim, defense or otherwise, for money damages or otherwise, by reason of any granting, withholding or delaying or the like of any consent or approval by us. Your sole remedy for any such claim is review of our action or decision, approval, consent or withholding thereof, and the like, and request to have us directed to make or take a different action or decision, approval, consent or withholding thereof, or the like, but always under the standards and ranges and bases of our wide discretion, provided for above.

28.4 Additional Force Majeure Applicable to Us

Delays in performance by us or our designee of any obligations which are not our fault of or within our control including, without limitation, fire, flood, natural disasters, acts of God, government acts or orders, epidemic or civil disorders, shall not give rise to a breach by us hereunder. Rather, you shall be required to extend the time of performance of any such obligations for the period of such delay or for such other reasonable period of time as may be appropriate in the circumstances.

28.5 Notices

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified mail, return receipt requested, or dispatched by overnight delivery such as FedEx, UPS or the like, to the respective parties at the address in Section 2, or other address of which a party has given such notice. Any notice sent by certified mail shall be deemed to have been given at the date and time of mailing.

28.6 Headings

Headings and captions and section numbers in this Agreement are for convenient reference only and shall not be taken into account in construing or interpreting this Agreement.

28.7. Time of Essence of Franchisee's Performance

It is acknowledged and agreed that delay in performance by you of your obligations would irreparably and irrevocably injure us. You and we agree that time is of the essence of your performance of all obligations and requirements that specify time for your performance under this Agreement.

28.8. Survival of Terms

Each provision of this Article XXVIII and those provisions above relating to indemnification, defense, holding harmless, covenants against post-termination/expiration use of the Proprietary Marks, Know How and Copyrights will be deemed to be self-executing and continue in full force and effect subsequent to and notwithstanding expiration, termination, setting aside, cancellation, rescission, unenforceability or otherwise of this Agreement (or any part of it) for any reason, will survive and will govern any claim for rescission or otherwise.

28.9. Severability of Provisions

Each provision of this Agreement will be construed as independent of, and severable from, every other provision; provided that if any part of this Agreement is deemed unlawful in any way, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful or, if such construction is not permitted or available, the remainder of this

Agreement will continue in full force and effect. Each party reserves the right to challenge any law, rule or judicial or other construction which would have the effect of varying or rendering ineffective any provision of this Agreement.

28.10. Complete Agreement

(a) This Agreement contains the final, complete and exclusive expression of the terms of the parties' agreement and supersedes and replaces any and all prior and/or concurrent discussions, negotiations, communications, understandings, agreements, inducements, courses of dealing, representations (financial or otherwise), promises, options, rights of first refusal, guarantees, warranties (express or implied) or otherwise (whether oral or written) between you and us.

(b) You acknowledge and represent that you were not promised, our representatives, employees and agents have not made any promise, representation and/or warranty, and you have not received or relied on any promise, representation or warranty, that (i) any payment by you is refundable (ii) we will repurchase any rights or will assist in any resale, (iii) you will achieve any particular results, (iv) you will have any exclusive rights other than as stated in this Agreement, or (v) you will receive any level of advertising or marketing or assistance or other services other than as stated in this Agreement.

(c) You acknowledge and agree that the results of the business is speculative, is and will depend on your personal efforts, that entry into any business enterprise is always associated with risk and that no assurance of any particular results has been or can be given to you. You acknowledge and agree that you entered into this Agreement and made an investment only after (i) making an independent investigation of the opportunity, and (ii) having an opportunity to consult an attorney and financial advisor of your own choosing. You acknowledge that you and each person signing as Franchisee (and/or having any investment and/or interest in the Franchised Business) received, reviewed, understood and fully read and all questions have been answered regarding (x) a copy of our Disclosure Document with all exhibits at least fourteen (14) days prior to the earlier of your and/or any such person (a) signing any binding documents or (b) paying any sums and (y) a copy of this Agreement and all other agreements.

(d) You understand that we are relying on you to tell us in writing at this time any matters inconsistent with any of the matters in this Section 28.10 or otherwise so we can correct any misunderstandings and you agree if any of the statements or matters in this Section 28.10 or otherwise are not true, correct and complete, you will make a written statement disclosing that right here, so we may address and resolve any such issue(s) now and before either party goes forward; _____

**The above lines are for You to Write Anything In Conflict with the Above Section 28.10.
You may use additional pages if needed.**

28.11. Execution

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all together shall be one and the same instrument. Execution of this Agreement may be accomplished by electronic transmission of signatures.

EXHIBIT "A"

LOCATION OF FRANCHISE: TERRITORY

The location of the Franchised Business shall be:

The Territory of the Franchised Business shall be:

Your population based on the US Census is _____

The Territory consists of the following zip codes:

Franchisee: _____

By: _____

Its: _____

Franchisor: YABA, LLC

By: _____

Its: _____

EXHIBIT "B"

TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

The undersigned ("Franchisee") irrevocably assigns the telephone listing and numbers stated below and any successor, changed or replacement number or numbers effective on the date of termination or expiration without renewal of the Franchise Agreement described below to YABA, LLC., on the following terms:

1. This assignment is made under the terms of the Franchise Agreement dated _____ authorizing Franchisee to do business as "EPAGA" (the "Franchise Agreement") between YABA, LLC and Franchisee, which in part pertains to the telephone listing and numbers Franchisee uses in operating the Franchised Business.

2. Franchisee retains the right to use the telephone listing and numbers for transactions and advertising under the Franchise Agreement while the Franchise Agreement remains in full force, but on termination or expiration without renewal of the Franchise Agreement, the right of use of the telephone listing and numbers terminates. In this event, Franchisee agrees to immediately stop using the listings and numbers. Franchisee will immediately sign all documents, pay all monies, and take all other action necessary to transfer the listings and numbers to Franchisor.

3. The telephone numbers and affiliated listings subject to this assignment are: _____ and all numbers Franchisee uses in the Franchised Business in the future.

4. Franchisee shall pay all amounts owed for the use of the telephone numbers and affiliated listings. On termination or expiration without renewal of the Franchise Agreement, Franchisee shall immediately pay all amounts owed for the listings and telephone numbers, including all sums owed under existing contracts for telephone directory advertising.

5. Franchisee appoints Franchisor as Franchisee's attorney-in-fact to act in Franchisee's place for the purpose of assigning any telephone number covered by this instrument to Franchisor or Franchisor's designees or transferees. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of these powers, including full power of substitution and signing or completion of all documents required or requested by any telephone company to transfer the numbers, and ratifies every act that Franchisor lawfully performs in exercising those powers.

This power of attorney is effective for one (1) year from the date of expiration, cancellation or termination of Franchisee's rights under the Franchise Agreement for any reason.

Franchisee intends that this power of attorney be coupled with an interest. Franchisee agrees this power of attorney is irrevocable and renounces all right to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney is not affected by Franchisee's later incapacity. This power is created to secure performance of a duty to Franchisor and is for consideration.

Signed on _____, 202_____

(NAME OF FRANCHISEE)

By: _____

Print Name: _____

Title: _____

EXHIBIT “C”

GUARANTY

In consideration of, and as inducement to, the execution of a Franchise Agreement, and any revisions, modifications and amendments thereto (the “Agreement”) dated _____, 202__, by and between YABA, LLC, a Montana limited liability company (“Franchisor”), and _____ (“Franchisee”), each of the undersigned Guarantors agrees as follows:

1. Guarantors jointly and severally unconditionally guaranty the full, prompt and complete performance of the Franchisee under the terms, covenants and conditions of the Agreement, including, without limitation, the complete and prompt payment of all indebtedness to the Franchisor under the Agreement. The word “indebtedness” is used herein in its most comprehensive sense and includes, without limitation, any and all advances, debts, obligations and liabilities of the Franchisee, now or hereafter incurred, either voluntarily or involuntarily, and whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, or whether recovery may be now or hereafter barred by any statute of limitation or is otherwise unenforceable.

2. The obligations of Guarantors are independent of the obligations of Franchisee and a separate action or actions may be brought and prosecuted against any or all Guarantors, whether or not actions are brought against Franchisee or whether Franchisee is joined in any such action.

3. If Franchisee is a corporation, partnership or limited liability company, Franchisor shall not be obligated to inquire into the power or authority of Franchisee or its partners or the officers, directors, agents, members or managers acting or purporting to act on Franchisee’s behalf and any obligation or indebtedness made or created in reliance on the exercise of such power and authority shall be guaranteed hereunder. Where the Guarantors are corporations or partnerships, it shall be conclusively presumed that the Guarantors and the partners, agents, officers and directors acting on their behalf have express authority to bind such entities and that such entities have the express power to act as Guarantors pursuant to this Guaranty and that such action directly promotes the business and is in the interest of such entities.

4. Franchisor, its successors and assigns, may from time to time, without notice to the undersigned: (a) resort to the undersigned for payment of any of the indebtedness, whether or not it or its successors have resorted to any property securing any of the indebtedness or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the indebtedness; (b) release or compromise any indebtedness of any of the undersigned or any indebtedness of any party or parties primarily or secondarily liable on any of the indebtedness; (c) extend, renew or credit any of the indebtedness for any period (whether or not longer than the original period); (d) alter, amend or exchange any of the indebtedness; or (e) give any other form of indulgence, whether under the Agreement or otherwise.

5. The undersigned waive presentment, demand, notice of dishonor, protest, nonpayment and all other notices, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all breaches, disputes or controversies between the Franchisee and the Franchisor resulting from the Agreement or otherwise, and of settlement, compromise or adjustment.

6. This Guaranty shall be enforceable by and against the respective administrators, executors, successors and assigns of the Guarantors and the death of any Guarantor shall not terminate the liability Guarantor or limit the liability of the other Guarantors hereunder.

7. If more than one person executed this Guaranty, the term “undersigned” herein shall refer to each such person, and the liability of each of the undersigned shall be joint and several and primary as sureties.

8. In each case where the spouse of Franchisee executed any documents in connection with the granting of the Agreement, and Franchisee divorces from the spouse, then, if Franchisee remarries, the new spouse of Franchisee must execute, and agree to be bound by the provisions of, each of the documents previously executed by the original spouse.

Executed on _____, 202____.

Signature

Signature of Spouse (if married)

Printed Name

Printed Name

Home Address

Home Address

Home Telephone

Home Telephone

Business Telephone

Business Telephone

Date

Date

EXHIBIT "D"



YABA, LLC

ACH PAYMENT AUTHORIZATION FORM

By completing and signing this form _____ (“Customer”) authorizes Yaba, LLC, a Montana limited liability company to make periodic debits from the account identified below.

Customer authorizes and instructs the financial institution to debit the account indicated below for the amounts specified by Yaba, LLC from time to time. This is ongoing permission, request and instruction for periodic debits in amounts Yaba, LLC specifies.

I _____ authorize Yaba, LLC, a Montana limited liability company to charge my bank account identified and described below:

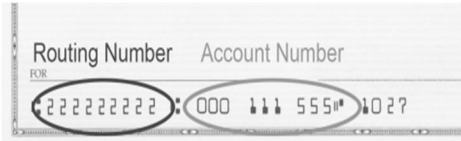
Billing Address _____

Phone# _____

City, State, Zip _____

Email _____

Account Type: <input type="checkbox"/> Checking	<input type="checkbox"/> Savings
Name on Acct _____	
Bank Name _____	
Account Number _____	
Bank Routing # _____	
Bank City/State _____	



SIGNATURE _____ DATE _____

I understand that because this is an electronic transaction, funds may be withdrawn from the account from time to time. If a payment is rejected such as for Non-Sufficient Funds (NSF) Yaba, LLC may at its discretion attempt to process the charge again, and I agree to an additional charge for each attempt that is returned NSF or otherwise, which will be initiated as a separate transaction from the authorized payment. I acknowledge the origination of ACH transactions to my account must comply with provisions of U.S. law. I will not dispute Yaba, LLC’s billing with my bank so long as the transaction corresponds to the terms indicated in this agreement.

EXHIBIT C

**EMPLOYEE NON-DISCLOSURE AND
CONFIDENTIALITY AGREEMENT**

EMPLOYEE NON-COMPETITION AND NON-DISCLOSURE AGREEMENT

This Agreement is made this ___ day of _____, 202__, by and between _____, (“Employer”), which is a franchisee of YABA, LLC (Franchisor”), with its principal place of business at _____, and _____ residing at _____ (“Employee”).

The Franchisor sells franchises operating under the “EPAGA” Proprietary Marks, Know How and Copyrights. The franchises provide the public with non-medical in-home personal care services.

The Franchisor expended time, effort and expense to acquire knowledge and experience its business. Franchisor developed a system for performing services in a timely and efficient manner. The system is operated according to confidential and proprietary procedures which include: customer lists, methods of doing business, methods of providing services, distinctive trade name and logo, equipment requirements, ad campaigns and materials, and other items used in operating procedures and certain business techniques, including procedures and instructions in Franchisor’s operations and procedures manual, software, financial data, instructional materials and training programs, research and development, product and service development plans and various intellectual property (collectively, “Confidential Information”).

In employment with Employer, Employee has been or will be exposed to and become familiar with various aspects of concepts, designs, procedures, processes and other Confidential Information proprietary to the Franchisor and Employer. Franchisor and Employer want to be assured by Employee that any such information gained in employment will be regarded as proprietary information and will not be disclosed to any third parties during or after employment, and that Employee will not compete with Employer, Franchisor or its affiliates.

In consideration of employment or continued employment of Employee by Employer, compensation of Employee by Employer during the duration of employment, use and enjoyment by Employee of Employer’s facilities and equipment, disclosure to Employee of Employer’s confidential and proprietary information, opportunity for Employee to serve Employer’s clients and customers, and the mutual covenants contained herein, the parties agree:

1. Confidentiality. Employee acknowledges and agrees that in the course of employment, Employee will have access to Confidential Information not generally known to the public relating to the services, sales or business of Employer and Franchisor. Employee acknowledges and agrees that this Confidential Information constitutes valuable, special and unique assets of Employer and Franchisor, access to and knowledge of which are essential to performance of Employee’s duties. Employee acknowledges and agrees that all such Confidential Information including, without limitation that which Employee conceives or develops, either alone or with others, at any time during employment by Employer, is and shall remain Franchisor’s exclusive property.

2. Non-disclosure. Employee agrees that, except as directed by Employer, Employee will not at any time, whether during or after employment with Employer, use or disclose to any person for any purpose any Confidential Information, or permit any person to use, examine and/or make copies of any documents, files, data or other information sources which contain or are derived from Confidential Information, whether prepared by Employee or otherwise coming into the Employee’s possession or control, without Franchisor’s prior written permission.

3. Franchisor Materials. Employee will safeguard and return to Employer on termination of employment with Employer, or sooner if Employer requests, all documents and property in Employee’s

care, custody or control relating to employment or Employer's or Franchisor's business, including, without limitation, any documents that contain the Confidential Information.

4. Other Employment While Employed by Employer. While employed by Employer, Employee shall not do work that competes with or relates to any of Employer's or Franchisor's products or activities without first obtaining Employer's written permission. Any business opportunities related to Employer's or Franchisor's business that Employee learns of or obtains while employed by Employer (whether or not during working hours) shall belong to Employer.

5. Non-competition After Employment by Employer Ends. For a period of one (1) year after Employee's employment by Employer terminates, Employee will not, directly or indirectly, within 100 miles of any EPAGA Business: (a) sell, market or propose to sell or market the services that compete or will compete with the Employer's or Franchisor's then-existing business, or (b) become an employee, employer, consultant, officer, director, partner, trustee, shareholder or member, or provide services or information to any person or entity that sells, markets or proposes to sell or market the services performed by the Franchisor.

6. Saving Provision. The parties agree and stipulate that the agreements and covenants not to compete contained in the preceding paragraph, including the scope of the restricted activities described therein and the duration and geographic extent of such restrictions, are fair and reasonably necessary for the protection of Confidential Information, goodwill, and other protectable interests, in light of all of the facts and circumstances of the relationship between the Franchisor, Employee and Employer. In the event a court of competent jurisdiction should decline to enforce any provision of the preceding paragraph, such paragraph shall be deemed to be modified to restrict Employee's competition to the maximum extent, in both time and geography, which the court shall find enforceable.

7. No Guarantee of Employment. This Agreement does not guarantee continued employment.

8. No Conflicting Agreements. Employee is not a party to any agreements, such as confidentiality or non-competition agreements, that limit Employee's ability to perform his or her duties for Employer.

9. Injunctive Relief. The Employee acknowledges that disclosure of any Confidential Information or breach or threatened breach of any of the non-competition and non-disclosure covenants or other agreements contained herein would give rise to irreparable injury to Employer or the Franchisor, which injury would be inadequately compensable in money damages. Accordingly, Employer or the Franchisor, at its sole discretion, may seek and obtain injunctive relief from the breach or threatened breach of any provision, requirement or covenant of this Agreement, in addition to and not in limitation of any other legal remedies which may be available. Employee further acknowledges, agrees and stipulates that, in the event of the termination of employment with the Employer, the Employee's experience and capabilities are such that the Employee can obtain employment in business activities which are of a different and non-competing nature with his or her activities as an employee of Employer; and that the enforcement of a remedy hereunder by way of injunction will not prevent the Employee from earning a reasonable livelihood. Employee further acknowledges and agrees that the covenants contained herein are necessary to protect the legitimate business interests of Employer and the Franchisor and are reasonable in scope and content.

10. Enforcement. The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action against the Franchisor, Employer by Employee, whether predicated on this Agreement or otherwise. Franchisor shall be a third party beneficiary of this Agreement with the right to enforce its terms, even though Franchisor is not a party to this Agreement.

11. Governing Law. The Agreement shall be construed in accordance with the internal laws of the State of Montana. The parties agree to personal jurisdiction in the County of Flathead, State of Montana.

Employee's obligations under this Agreement supplement and do not supersede the obligations imposed on Employee by applicable law.

12. Legal Expense. In any suit, proceeding or action to enforce any provision of this Agreement or for adjudication of the rights of Franchisor, Employer or Employee, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs and expenses incurred in the suit, proceeding or action.

13. Waiver. Waiver of a breach of any provision of this Agreement or of failure to enforce any provision hereof shall not operate or be construed as a waiver of any subsequent breach by any party.

DATED this ____ day of _____, 202__.

EMPLOYEE:

Name: _____

EMPLOYER:

By: _____
Its: _____

EXHIBIT D

**TELEPHONE NUMBER ASSIGNMENT
AGREEMENT AND POWER OF ATTORNEY**

TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

The undersigned (“Franchisee”) irrevocably assigns the telephone listing and numbers stated below and any successor, changed or replacement number or numbers effective on the date of termination or expiration without renewal of the Franchise Agreement described below to YABA, LLC., on the following terms:

1. This assignment is made under the terms of the Franchise Agreement dated _____ authorizing Franchisee to do business as “EPAGA” (the “Franchise Agreement”) between YABA, LLC and Franchisee, which in part pertains to the telephone listing and numbers Franchisee uses in operating the Franchised Business.

2. Franchisee retains the right to use the telephone listing and numbers for transactions and advertising under the Franchise Agreement while the Franchise Agreement remains in full force, but on termination or expiration without renewal of the Franchise Agreement, the right of use of the telephone listing and numbers terminates. In this event, Franchisee agrees to immediately stop using the listings and numbers. Franchisee will immediately sign all documents, pay all monies, and take all other action necessary to transfer the listings and numbers to Franchisor.

3. The telephone numbers and affiliated listings subject to this assignment are: _____ and all numbers Franchisee uses in the Franchised Business in the future.

4. Franchisee shall pay all amounts owed for the use of the telephone numbers and affiliated listings. On termination or expiration without renewal of the Franchise Agreement, Franchisee shall immediately pay all amounts owed for the listings and telephone numbers, including all sums owed under existing contracts for telephone directory advertising.

5. Franchisee appoints Franchisor as Franchisee’s attorney-in-fact to act in Franchisee’s place for the purpose of assigning any telephone number covered by this instrument to Franchisor or Franchisor’s designees or transferees. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of these powers, including full power of substitution and signing or completion of all documents required or requested by any telephone company to transfer the numbers, and ratifies every act that Franchisor lawfully performs in exercising those powers.

This power of attorney is effective for one (1) year from the date of expiration, cancellation or termination of Franchisee’s rights under the Franchise Agreement for any reason.

Franchisee intends that this power of attorney be coupled with an interest. Franchisee agrees this power of attorney is irrevocable and renounces all right to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney is not affected by Franchisee’s later incapacity. This power is created to secure performance of a duty to Franchisor and is for consideration.

Signed on _____, 202__

(NAME OF FRANCHISEE)

By: _____

Print Name: _____

Title: _____

EXHIBIT E
GUARANTY

GUARANTY

In consideration of, and as inducement to, the execution of a Franchise Agreement, and any revisions, modifications and amendments thereto (the "Agreement") dated _____, 202_, by and between YABA, LLC, a Montana limited liability company ("Franchisor"), and _____ ("Franchisee"), each of the undersigned Guarantors agrees as follows:

1. Guarantors jointly and severally unconditionally guaranty the full, prompt and complete performance of the Franchisee under the terms, covenants and conditions of the Agreement, including, without limitation, the complete and prompt payment of all indebtedness to the Franchisor under the Agreement. The word "indebtedness" is used herein in its most comprehensive sense and includes, without limitation, any and all advances, debts, obligations and liabilities of the Franchisee, now or hereafter incurred, either voluntarily or involuntarily, and whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, or whether recovery may be now or hereafter barred by any statute of limitation or is otherwise unenforceable.

2. The obligations of Guarantors are independent of the obligations of Franchisee and a separate action or actions may be brought and prosecuted against any or all Guarantors, whether or not actions are brought against Franchisee or whether Franchisee is joined in any such action.

3. If Franchisee is a corporation, partnership or limited liability company, Franchisor shall not be obligated to inquire into the power or authority of Franchisee or its partners or the officers, directors, agents, members or managers acting or purporting to act on Franchisee's behalf and any obligation or indebtedness made or created in reliance on the exercise of such power and authority shall be guaranteed hereunder. Where the Guarantors are corporations or partnerships, it shall be conclusively presumed that the Guarantors and the partners, agents, officers and directors acting on their behalf have express authority to bind such entities and that such entities have the express power to act as Guarantors pursuant to this Guaranty and that such action directly promotes the business and is in the interest of such entities.

4. Franchisor, its successors and assigns, may from time to time, without notice to the undersigned: (a) resort to the undersigned for payment of any of the indebtedness, whether or not it or its successors have resorted to any property securing any of the indebtedness or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the indebtedness; (b) release or compromise any indebtedness of any of the undersigned or any indebtedness of any party or parties primarily or secondarily liable on any of the indebtedness; (c) extend, renew or credit any of the indebtedness for any period (whether or not longer than the original period); (d) alter, amend or exchange any of the indebtedness; or (e) give any other form of indulgence, whether under the Agreement or otherwise.

5. The undersigned waive presentment, demand, notice of dishonor, protest, nonpayment and all other notices, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all breaches, disputes or controversies between the Franchisee and the Franchisor resulting from the Agreement or otherwise, and of settlement, compromise or adjustment.

6. This Guaranty shall be enforceable by and against the respective administrators, executors, successors and assigns of the Guarantors and the death of any Guarantor shall not terminate the liability Guarantor or limit the liability of the other Guarantors hereunder.

7. If more than one person executed this Guaranty, the term "undersigned" herein shall refer to each such person, and the liability of each of the undersigned shall be joint and several and primary as sureties.

8. In each case where the spouse of Franchisee executed any documents in connection with the granting of the Agreement, and Franchisee divorces from the spouse, then, if Franchisee remarries, the new spouse of Franchisee must execute, and agree to be bound by the provisions of, each of the documents previously executed by the original spouse.

Executed on _____, 202____.

Signature

Signature of Spouse (if married)

Printed Name

Printed Name

Home Address

Home Address

Home Telephone

Home Telephone

Business Telephone

Business Telephone

Date

Date

EXHIBIT F
TABLE OF CONTENTS
OF OPERATIONS MANUAL

EPAGA Operations Manual

Table of Contents for FDD

	Chapter Title	Number of Pages
1	Introduction to EPAGA	20
2	Getting Ready to Begin Business	21
3	Business Basics	11
4	How to Be Profitable	18
5	Management Duties	20
6	Understanding Your Clients	42
7	Assessment and Matching	10
8	Advertising and Marketing Basics	11
9	Non-Media Advertising	21
10	Media Advertising	21
11	Preparing to Hire	40
12	Employment Procedures	24
13	Performance Management	33
14	Legal Issues	36
15	Forms	10
	TOTAL PAGES IN MANUAL	320


EXHIBIT G
SBA ADDENDUM TO FRANCHISE
AGREEMENT

INSTRUCTIONS FOR USE OF SBA FORM 2462 ADDENDUM TO FRANCHISE AGREEMENT

SBA has issued a revised version of the Addendum to Franchise Agreement (SBA Form 2462) which became effective January 1, 2018. SBA's Standard Operating Procedure (SOP) 50 10 5(J) explains updates made to the franchise review process for the 7(a) and 504 loan programs. By executing this Addendum, the franchisor agrees that any terms in its franchise agreement or any other document the franchisor requires the franchisee to sign that are related to control by the franchisor or its franchisees (resulting in a determination by SBA of affiliation between the Franchisor and its franchisees, as defined in 13 CFR part 121 and SBA's Standard Operating Procedure 50 10) will not be enforced against the franchisee during the life of the SBA-guaranteed loan.

SBA Form 2462 has **three** locations with drop down menu options at the beginning of the form (see example below). Once a drop down option is chosen (i.e. #1 "Franchise" #2 "Franchisor" and #3 "Franchisee"), the user must hit the "tab" key to automatically populate the appropriate term in all fields.

Example of Drop-Down Options


ADDENDUM TO
Franchise
Type of Agreement

Franchise
License
Distributor
Membership
Other

THIS ADDENDUM ("Addendum") is made _____, 20____, by and
between _____ ("Franchisor"),
located at _____, and
_____ ("Franchisee"),
located at _____.

Once the drop down options have populated in all three locations, the remaining fillable fields must be completed manually (see example below). These fields will either be blank or contain the language "(Enter type of)" or "(type of agreement)." In each of these fields, enter the type of agreement, e.g., franchise, license, dealer, membership, etc. When completing SBA Form 2462, the text may not be altered except to insert the information required to complete the form.

Example of Fillable Fields to be Completed Manually

FORCED SALE OF ASSETS

- If Franchisor _____ has the option to purchase the business personal assets upon default or termination of the Franchise _____ 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 Franchisee _____ owns the real estate where the franchisee _____ location is operating, Franchisee _____ will not be required to sell the real estate upon default or termination, but Franchisee _____ may be required to lease the real estate for the remainder of the (enter type of) _____ term (excluding additional renewals) for fair market value.

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor _____ and Franchisee _____. Additionally, the applicant Franchisee _____ and the (type of agreement) _____ system must meet all SBA eligibility requirements.



ADDENDUM TO LICENSE

¹ AGREEMENT

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

Licensor _____ and Licensee _____ entered into a License _____ Agreement on _____, 20____, (such Agreement, together with any amendments, the “License Agreement”). Licensee _____ 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 License _____ Agreement or any other document Licensor _____ requires Licensee _____ to sign:

CHANGE OF OWNERSHIP

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

FORCED SALE OF ASSETS

- If Franchisor _____ has the option to purchase the business personal assets upon default or termination of the License _____ 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 Licensee _____ owns the real estate where the licensee _____ location is operating, Licensee _____ will not be required to sell the real estate upon default or termination, but Licensee _____ may be required to lease the real estate for the remainder of the (enter type of) _____ 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 Licensee owns the real estate where the licensee location is operating, Franchisor has not and will not during the term of the License 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 Licensee's real estate, they must be removed in order for the Licensee to obtain SBA-assisted financing.

EMPLOYMENT

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

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

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

Franchisor and Licensee 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 FRANCHISOR :

By: _____

Print Name: _____

Title: _____

Authorized Representative of LICENSEE :

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Licensee. Additionally, the applicant Licensee and the (type of agreement) system must meet all SBA eligibility requirements.

EXHIBIT H

**STATE AGENTS FOR SERVICE OF PROCESS
AND STATE ADMINISTRATORS**

LIST OF STATE ADMINISTRATORS AND STATE AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677 Website: www.dfpi.ca.gov Email: Ask.DFPI@dfpi.ca.gov	California, Commissioner of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677 Website: www.dfpi.ca.gov Email: Ask.DFPI@dfpi.ca.gov
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities, Department of Commerce & Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 West Ottawa G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48933 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau P.O. Box 30054 6546 Mercantile Way Lansing, Michigan 48909 (517) 241-6345
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	Minnesota Commissioner of Commerce Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
NEBRASKA	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171	Nebraska Department of Banking and Finance Bureau off Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW YORK	NYS Department of Law Investor Protection Bureau Franchise Section 28 Liberty Street, 21 st Floor New York, New York 10005 (212) 416-8236 (Phone) (212) 416-6042 (Fax)	New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, New York 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712	North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387
RHODE ISLAND	Securities Division State of Rhode Island Department of Business Regulation, Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582	Director, Securities Division Department of Business Regulation Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582
SOUTH DAKOTA	Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director, Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, Ninth Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, First Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON	Securities Division Department of Financial Institutions P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902-8760
WISCONSIN	Franchise Registration Division of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064

EXHIBIT I
LIST OF FRANCHISEES

**LIST OF CURRENT FRANCHISEES
AS OF MAY 31, 2023**

Owner(s)	Address	City	State	Zip	Phone
EPAGA Home Care of Helena	2047 N. Last Chance Gulch, #408	Helena	MT	59601	(406) 410-38982

-

**LIST OF FRANCHISEES WHO SIGNED AGREEMENTS BUT THE
LOCATIONS ARE NOT YET OPEN
AS OF MAY 31, 2023**

None

**OUTLETS THAT WERE TERMINATED, NOT RENEWED
OR CEASED OPERATIONS FOR OTHER REASONS
AS OF MAY 31, 2023**

None

AFFILIATE LOCATIONS
AS OF MAY 31, 2023

Owner(s)	Address	City	State	Zip	Phone
EPAGA Home Care of Kalispell	49 Appleway Drive	Kalispell	MT	59901	(406) 755-4633
EPAGA Home Care of Missoula/Bitterroot Valley	5811 US Highway 93 N.	Florence	MT	59833	(406) 300-7999

EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
Wisconsin	_____, 2024

EXHIBIT J
RECEIPTS

RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF YABA, LLC OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE.

IF YABA, LLC DOES NOT DELIVER THIS DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE APPROPRIATE STATE AGENCY AS IDENTIFIED ON EXHIBIT H OF THE DISCLOSURE DOCUMENT.

YABA, LLC's franchise seller is Inga J. Lake.

Issuance Date: December 20, 2023.

I have received an EPAGA Home Care Disclosure Document dated December 20, 2023, that included the following Exhibits:

- A Financial Statement(s)
- B Franchise Agreement with attached Exhibits
- C Employee Non-Disclosure and Confidentiality Agreement
- D Telephone Number Assignment Agreement and Power of Attorney
- E Guaranty
- F Table of Contents of Operations Manual
- G SBA Addendum to Franchise Agreement
- H State Agents for Service of Process and State Administrators
- I List of Franchisees and Affiliates
- J Receipts

Date

Recipient/Franchise Applicant

Print Name

RETURN THIS SIGNED FORM TO THE FRANCHISOR Mail to:

YABA, LLC, 40 Appleway Drive, Kalispell, Montana 59901

Fax to: (406) 755-3755

RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF YABA, LLC OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE.

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- G SBA Addendum to Franchise Agreement
- H State Agents for Service of Process and State Administrators
- I List of Franchisee and Affiliates
- J Receipts

Date

Recipient/Franchise Applicant

Print Name

THIS SIGNED FORM REMAINS WITH THE FRANCHISE APPLICANT