FRANCHISE DISCLOSURE DOCUMENT

BarbaraKares International, Inc.
A Georgia Corporation
560 West Martin Luther King Dr.
Milledgeville, GA 31061
Telephone: (478) 234-0070
Email: Ajajinvestments@gmail.com
www.joinBarbaraKares.com

We offer you the opportunity to own and operate one "BarbaraKares" franchise, incorporating technology with hands-on personal non-medical care for the operation of an in-home care agency that assists families by providing caregivers in the comfort of their homes.

The total investment necessary to begin operation of one (1) franchise location is from $48,050 to $67,100. This includes $28,000 that must be paid to us (see Item 7).

The total investment to begin operation as an Area Developer for a minimum of two (2) franchised locations required to be developed is from $70,500 to $103,000 which includes $48,000 for the initial franchise fees of two (2) locations (see Items 5 and 7).

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact our President, Joshua Flournoy, 560 West Martin Luther King Dr., Milledgeville, GA 31061, 478-234-0070

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

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

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

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS:

February 28, 2025

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:

QUESTIONS	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits B and C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit 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 BarbaraKares business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a BarbaraKares franchisee?	Item 20 or Exhibit B 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 F.

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

Special Risks to Consider About This Franchise

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

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

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

BarbaraKares International, Inc.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language, this disclosure document uses "we", "us", "our" or "Franchisor" to mean BarbaraKares International, Inc., the franchisor, and "you", "your" or "Franchisee" means the individual, corporation or other entity that buys our franchise. "You" also includes the franchise owners, partners or members.

The Franchisor, Any Parents, Predecessors and Affiliates

We conduct business under the name "BarbaraKares". Our principal business address is (560 West Martin Luther King Dr., Milledgeville, GA 31061). We are a Georgia corporation which was formed August 31, 2024 to initiate our franchising program. We have not conducted a business of a type described in this Disclosure Document or conducted business in any other line of business but, our affiliate, Heritagefirst Home Care Inc. dba BarbaraKares In-Home Care Services, whose principal business address is 560 West Martin Luther King Dr., Milledgeville, GA 31061 has owned and operated one (1) businesses of the type being franchised herein since August of 2016 in Baldwin County, Georgia. There are no predecessor or parent entities.

Our affiliate businesses will not participate in the franchising operations nor will they provide any management or operational services or financial guarantees for our franchisees, except that use may be made of the affiliated location facilities and personnel for training purposes. Our affiliate Heritagefirst Home Care Inc. dba BarbaraKares In-Home Care Services, is the approved supplier for certain proprietary items. Neither we nor any affiliate has previously offered franchises of any type.

Agents for Service of Process

Our Agents for Service of Process are set forth in Exhibit "F" of the disclosure document.

The Franchises Being Offered

BarbaraKares is offering a franchise to own and operate an in-home care agency that empowers families by providing caregivers in the comfort of their own homes. Services include specialized resources, guidance, and care tailored to meet the unique needs of each family, ensuring that a family's loved ones receive the support they deserve.

Franchisees of BarbaraKares ("Franchise" or "Franchise Business") will have the opportunity to establish and operate a Barbarkares franchise at a single defined location within a specific territory using our trademark, service marks, trade names, logos and commercial symbols, printed materials, proprietary products and methods of operation under a Franchise Agreement you sign with us and an Operation's Manual that sets forth our system standards.

We also offer qualified applicants an opportunity to develop and open a specified number of BarbaraKares franchises within a defined geographical area over a required period of time (see Exhibit "H"). You will pay a development fee, which will depend upon the number of locations to be opened within a defined geographical area over a required period of time. You will also sign the then current form of franchise agreement for each location, which may be different than the form of franchise agreement included in this franchise disclosure document and other factors specified in the Area Development Agreement (see Item 5 also).

The Franchise System and Proprietary Marks

Our franchises are characterized by, among other things, distinct formats, and specifications for uniform standards, specifications and procedures for operations, training and assistance (the "System"). The System is identified by means of certain trade names, trademarks, service marks, logos, emblems and other indicia of origin, including the Marks "BarbaraKares In-Home Care Services" and "BarbaraKares".

Market and Competition

The market for in-home personal care services is continuing to evolve. The aging of our population has increased demand for a variety of non-medical – hands-on personal care, for in-home assistance and companionship. You will compete with other home care service businesses, both franchised and non-franchised, as well as independent care service providers. Some companies concentrate on a specific niche of care while others cover a broader area. We will help you locate and understand the competition in your territory.

Industry Regulations

There are Federal, State and Local laws and regulations that may impact your Franchised Business. We may identify existing requirements or provide updates on laws or regulations for informational purposes only. However, our services are not legal advice and are not a substitute for consulting with your own legal advisor. In operating your Franchised Business, you maintain full responsibility for compliance with all applicable laws.

Some states have laws which regulate family caregiving and private home care provider services. Some states require providers of in-home care services to be licensed. Your state may permit a person cared for and enrolled in a state Medicaid program, to qualify for Structured Family Caregiving.

The Federal Fair Labor Standards Act (FLSA) establishes rules which may affect your payment of employees. The FLSA provides federal minimum wage and overtime obligations for employees providing "companionship services" to the aged or infirm [29 U.S.C. Sec. 213 (a)(15)]. This exemption is known as the "companionship exemption." However, the "companionship exemption" does not currently apply to the services of caregivers employed by third-party agencies, such as those employed by our Franchised Businesses. Under the current rules, your Franchised Businesses may have obligations related to overtime, travel time, and time spent by caregivers engaged to wait between work shifts. You are encouraged to work with your attorney to determine how to calculate and manage overtime, travel time, and wait time within your Franchised Business.

Your Franchised Business may be located in an area that has created its own specific minimum wage, overtime, or other compensation rules. If the state or local rules where you operate your Franchised Business are different from the minimum wage and overtime rules under the FLSA, then the state or local rules may control and override federal law. You and your attorney must determine whether your employees will be subject to overtime and the minimum compensation requirements required by your state and local laws.

The Federal Occupational Safety and Health Administration ("OSHA") rules may also impact your Franchised Business. OSHA generally requires employers under its jurisdiction to record and report work-related fatalities, inpatient hospitalizations and specified incidents. OSHA rules provide exemptions for employers based upon the industry or business size. Under current rules, the home care services industry is not exempt. While your business size may vary, your Franchised Business will generally be considered as within the home care services industry. If your Franchised Business is not exempt based upon the size of your business, you may have obligations related to recording and reporting work-related fatalities, inpatient hospitalizations and specified incidents.

If your Franchised Business is located in a state that utilizes an OSHA-approved state plan ("State Plan"), then you will not be directly subject to Federal OSHA jurisdiction. However, State Plan standards must meet or exceed Federal OSHA rules. That means that if your Franchised Business is subject to a State Plan, you may have additional obligations related to recording and reporting.

Specific laws and regulations in your state or local area may also require licensure, certification, or training of individuals providing home care services, caregivers or other employees. There may also be other laws and regulations specific to in-home care, personal assistance services, and companion care services in your state. You may therefore be required to register as a home health agency, nurse staffing and or employment agency and comply with screening requirements of healthcare workers. Licensure requirements may also apply to your Franchised Business. It is your responsibility to understand any licensure, certification, and training requirements in your area and to ensure your Franchised Business adheres to those requirements.

To maintain a state license, you may be required to meet specific criteria for: training, policies, types of employees and/or compliance audits. These state specific obligations may exceed our requirements. If this is the case in your state, you are required to comply with both your state requirements and our requirements.

There may be other local, state and/or federal laws or regulations pertaining to your clinic with which you must comply. We strongly suggest that you investigate these laws before buying this franchise. The Franchise Agreement places the responsibility for complying with all applicable laws and regulations upon you, the franchisee.

You and your attorney should consider these and other applicable laws and regulations when evaluating your purchase of a franchise.

ITEM 2

BUSINESS EXPERIENCE

Joshua Flournoy: President

From 2007 to 2017, Joshua founded and grew Primecare Home Care Services Inc. in Milledgeville, Georgia, serving as Marketing Director. After selling his interest in Primecare in 2017, he founded Heritage Home Care Inc. doing business as BarbaraKares In-Home Care Services located in Milledgeville, Georgia. Joshua then founded BarbaraKares International, Inc. in 2024 and has been our President since formation.

Aerin Flournoy: Vice President

From 2018 to present, Aerin has acted as Chief Operating Officer of Heritage Home Care Inc. doing business as BarbaraKares In-Home Care Services and has been the Chief Operating Officer of BarbaraKares International, Inc. since formation supervising all aspects of the business.

Frederick Hurt: Regional Trainer

Frederick has been our Regional Trainer since our formation in August 2024. From 2022 until present he has worked in in-home care services for our affiliate Heritage First Home Care Inc. Prior to joining our affiliate, Frederick worked for the Department of Community as Supervisor in the State of Georgia from 2015 to 2021.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Franchise Agreement

The nonrefundable Initial Franchise Fee for one BarbarKares location is $28,000 which must be paid to us upon signing your Franchise Agreement. The size of a territory is minimum 150,000 population or six (6) mile radius – whatever is less as assigned by franchisor based upon your franchise business address approved by us.

Area Development Agreement.

If we consider you to have sufficient business experience and financial qualifications to qualify as an Area Developer, you may be granted the right to enter into an Area Development Agreement with us that will allow you to open additional franchises within a specific geographic area. If you sign an Area Development Agreement you will not pay us an Initial Franchise Fee with the opening of each individual franchise but will instead pay us a Development Fee for the entire package granted to you. The amount of the Development Fee depends upon the number of BarbaraKares Franchised locations you are authorized to open. The Development Fee for our minimum requirement of two locations to be developed is $48,000. The second location must be open within one hundred and twenty (120) days from the Opening Date of the first location. The Development Fee for three locations is $63,000. In special circumstances, we may consider the sale of further additional locations for an additional fee of $20,000 for each location to be developed. All locations after the second location must be opened within one hundred and twenty (120) days of the

Opening Date for each preceding location. You will sign a separate then current Franchise Agreement for each location to be opened.

All Franchise and Development Fees are payable in a lump sum, are uniform, non-refundable, fully earned upon receipt and will be used for our general operating expenses, including costs of fulfilling our obligations to you. There are no other fees you pay to us or any affiliate before you begin operating your business.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Weekly Continuing License Fee	8% of weekly Gross Revenue received by you from the previous week's operations.	Weekly	(1) See definition of "Gross Revenue" in Note (1) below.
Software	$1,000 to $2,000	Monthly	Payable to suppliers depending upon patient and employee usage. Note (2) below.
Marketing and Technology Fund Fee	.5% of Gross Revenue per month. It may be increased up to 1.5% upon a thirty-day written notice.	The Marketing and Technology Fund fee, will be electronically debited by EFT from your bank on the 5th day of each month.	This fund is to provide area, regional or national promotional programs. See Note (3) below.
Insurance	The amount paid, if we, in our sole discretion, obtain any required insurance for you when you fail to obtain required insurance, and an administrative fee of 15%.	As Incurred if purchased by us on your behalf. Due immediately upon billing.	If you fail to obtain the required insurance coverage, we may, in our sole discretion, obtain the coverage at your expense plus administrative fees of 15% (Franchise Agreement Paragraph 11.13)
Successor Fee	$5,000	Before you renew your franchise.	You only pay this fee to us if you want to renew the Franchise at the end of the term.

Type of Fee	Amount	Due Date	Remarks
Transfer Fee	If we approve a transfer, the fee is $10,000 to transfer an individual franchise	Prior to consummation of transfer.	You pay this fee to us if you transfer your business with our prior approval. The transfer fee is for supervision, marketing, selling, administrative, legal, accounting costs and other expenses for the transfer of the franchise.
Training Fee Upon Transfer of Business	$2,500 per person trained & travel and living expenses	Prior to training	You or the transferee may request us to train additional employees upon the transfer of your business.
Audit Fee	Cost of Audit and 1.5% interest per month on understated amount.	Due when billed following any such audit.	You pay this fee only if the audit reflects an understatement of 2% or more for any audited month.
Seminars and Training Conferences	Currently travel and living expenses of approximately $1,000 to $2,000. You will be required to attend at least one training conference plus a $300 registration fee.	Periodic Seminars and Conferences will be held at our company headquarters in Georgia or at a different location of our choosing. These events will not exceed 5 days in length.	Fee is payable prior to attendance at the event and expenses are paid as incurred. You will not be required to attend more than two such conferences per year.
Additional Training Requested by You	Currently $350 per day, per trainer plus travel and expenses.	Immediately after notice from us.	If, at your request, or if we train a replacement trainee and we send one of our staff members to the franchised business to provide further training or assistance, we will charge you a daily rate for that assistance, plus the

Type of Fee	Amount	Due Date	Remarks
			travel expenses for our employee.
Local Advertising Expense (4)	You must allocate a minimum of $1,000 per month.	As Incurred.	Various service providers. See Note (3) for required reporting.
Intranet Fee	If implemented, our cost	Invoice or EFT debit from your bank account.	Payable only if it is implemented
Costs and Attorneys' Fees	Will vary under the circumstances.	Immediately upon notice from us.	You only pay if we succeed in any arbitration or litigation we bring against you, or in defending any claim you bring against us.
Indemnification	Will vary under the circumstances.	As incurred	You have to reimburse us if we are sued or held liable for claims arising out of your business.
Late Payment Charges	Maximum allowed by law, but not to exceed 1.5% per month.	Immediately upon notice from us.	You only pay this fee if late in paying fees you owe us.
Unauthorized Failure to Be Open	$250 per unauthorized day you are closed without written permission from us.	As it occurs, the fee will be an EFT debit from your bank account.	You pay this fee to us if you are not authorized to be closed.

All fees that are imposed by and payable to us are uniform, subject to change, and nonrefundable.

Notes to Above Chart:

(1) "Gross Revenue" means the aggregate of all revenue from the sale of services and products from all sources in connection with the franchised business, whether for check, cash, credit, barter or otherwise including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all refunds made in good faith, (b) any sales and equivalent taxes that are collected by franchisee for or on behalf of and paid to any governmental taxing authority, and (c)

any rebate received by franchisee from a manufacturer or supplier.

(2) Software includes: Operational software will vary. Caryfy – Homecare Agency Software - $5/client, Viventium – Payroll Software - $75/mo, Bench.co – Accounting - $300/month, Bambee – HR Software - $99/person >>$99 to $1000 and Care Academy – In Service Training - $5 per employee

(3) Marketing and Technology Fund Fee. The Marketing and Technology Fund is the core of our marketing system and supports the National Website and the Franchisee's Micro-Site, which are explained in greater detail in Item 11 of this document. We reserve the right to decide the amount and nature of these expenditures and how, when and where all expenditures are made.

(4) Local Advertising. You are required to provide us with quarterly reports and annual budget for Local Advertising.

ITEM 7
ESTIMATED INITIAL INVESTMENT

(For Single Location)

Type of Expenditure	Estimated Amount Low	High	Method of Payment	When Due	To Whom Payment is to Be Made
Initial Franchise Fee (1)	$28,000	$28,000	Lump Sum	Upon Execution of Agreement	Us
Franchise Location – Rent/Security Deposit (2)	$1,000	$3,000	As Arranged	As Incurred	Landlord
Leasehold Improvement (3)	$2,000	$4,000	Lump Sum	As Incurred	Service Providers
Furniture and Furnishings (4)	$1,000	$2,000	Lump Sum or On Arranged Terms	As Incurred	Suppliers
Equipment (Computers, Printers, etc.) (5)	$1,000	$2,000	Lump Sum or On Arranged Terms	As Incurred	Suppliers
Uniforms & Supplies (6)	$500	$1,000	On Arranged Terms	As Incurred	Supplier
Signage (7)	$300	$600	Lump Sum or On Arranged Terms	As Incurred	Supplier
Professional Fees (Legal & Accounting (8)	$1,000	$3,000	As Arranged	As Arranged	Approved Suppliers

Type of Expenditure	Estimated Amount Low	High	Method of Payment	When Due	To Whom Payment is to Be Made
Computer Software (9)	$750	$1,500	Lump Sum or On Arranged Terms	As Incurred	Suppliers
Opening Advertising (10)	$1,000	$2,000	As Arranged	As Arranged	Employees/ Suppliers
Franchisee/Management Certification Training (11)	$4,000	$6,000	As Arranged	As Arranged	Employees/ Suppliers
Insurance (12)	$1,500	$2,000	As Arranged	As Arranged	Insurance Carrier
State Fees, Licensing, Permits Application (13)	$1,000	$2,000	Lump Sum	As Incurred	State Authority
Additional Funds – Initial 3 Months (14)	$5,000	$10,000	Lump Sum or On Arranged Terms	As Incurred	Suppliers
Total Estimated Initial Investment (15)	**$48,050**	**$67,100**			

All fees paid to us are nonrefundable and fully earned when paid. The above estimates are based on information from our affiliate and information in the industry and do not include real estate purchases.

Notes to Above Chart**:**

1. Initial Franchise Fee. The nonrefundable Initial Franchise Fee for a single location is $28,000 for a territory surrounding the franchised location with a minimum population of 150,000 persons, or a six (6) mile radius of the location, whichever is the lesser area. The franchise fee is payable in full when the franchise agreement is signed. However, if you sign an Area Development Agreement you will not pay an Initial Franchise Fee to us with the opening of each individual franchise, but will instead pay us a Development Fee, as discussed in Item 5.

2. Franchise Location/Rent-Security Deposit. You will establish an office or use an office sharing facility, approved by us, which enables you to rent the services of a receptionist, office phones, office space and conference facilities. If you lease traditional office space, the typical location will have 200 to 500 square feet. Lease cost will vary with real estate cost in each market. You are responsible for obtaining all necessary permits or licenses necessary for the site. Prepaid rent and security deposits are generally required by landlords, utilities and certain governmental entities.

3. Leasehold Improvements. If you lease traditional office space, minimal leasehold improvements are generally required before operation. These costs vary based on the size of the space and requirements of a particular landlord, depending upon whether or not the improvements are capitalized as part of the lease.

4. Furniture and Furnishings. If needed, the estimated price is based on brand new, top of the line items. Options exist such as lease-to-purchase, which may cut down on your out-of-pocket costs. Items include things like a desk and chairs.

5. Equipment (Computers, Printers, etc,). To start, this generally includes a laptop, monitor and possibly a printer or scanner.

6. Uniforms & Supplies. Estimated cost of uniforms and supplies.

7. Signage. This range includes cost of any signage used at the designated location in the Franchised Business.

8. Professional Fees (Legal & Accounting). This range represents the approximate cost associated with attorney and CPA fees.

9. Computer Software. This includes: Caryfy – Homecare Agency Software - \$5/client, Viventium – Payroll Software - \$75/mo, Bench.co – Accounting - \$300/month, Bambee – HR Software - \$99/person >>\$99 to \$1000 and Care Academy – In Service Training - \$5 per employee

10. Opening Advertising. This range represents the approximate cost associated with promoting the opening of your location including many signs to be placed around your local area.

11. Franchisee/Management Certification Training. There is no cost for the franchisee certification training, and it is included in your Initial Franchise Fee, but only for the first location opened. This is a cost the franchisee incurs in salaries & benefits, lodging, meals, travel, training materials and uniforms, etc. These fees vary based on salaries, training time, and chosen hotel & travel accommodations.

12. Insurance. This is an estimate of your initial insurance premium for required property and public liability insurance. Your cost will vary depending on your market, your carrier and other factors. The cost of other coverages including workers compensation and other types of coverage cannot be estimated as they vary widely on a market-by-market basis. We set minimum insurance requirements for your Franchised Business but we recommend that you seek the advice of an independent risk management professional and/or insurance broker to determine the additional coverage you should have in place for the business. We require that you use Bobby Murphy Insurance for professional and general liability insurance.

13. Additional Funds – Initial 3 Months. You will need additional funds to cover expenses during the three-month period after starting your business. The actual amount you will need depends upon a number of factors, including the number of employees, how well you control initial expenses and your level of sales and marketing during the initial period.

The estimate of additional funds for the initial phase of your business is based upon recurring expenses and operating expenses for the first three months of operations. Additional funds required will vary by your management skill, experience, and business acumen; the relative effectiveness of any staff employed; local economic conditions; the local market for your services; prevailing wage rate; competition; and the sales level that you reach in your territory. You may incur other or higher cost, you may also need operating capital when running the business that is in addition to what is estimated here. These figures are estimates based upon information provided us from our affiliate.

14. State Fees, Licensing, Permits Application. You must check with your state to ascertain if there are any state licensing fees that must be paid.

15. Total Estimated Initial Investment. The amounts shown in the chart are estimates only and may vary for many reasons including the size of the Franchised Business, the capabilities of your management team, where you locate your Franchised Business, and your business experience and acumen. For planning purposes, please note that must cost and expenses listed in this Item 7 are not within our control and are affected more by general economic conditions than our actions. This does not include personal living expenses, Franchise owner compensation, royalty, or marketing and promotion fund contributions. You should review these estimates carefully with a business advisor or accountant before making any decision to buy a franchise. We do not offer direct or indirect financing to you for any part of the Estimated Initial Investment. Once you sign the Franchise Agreement, no payment you make to us is refundable.

YOUR ESTIMATED INITIAL INVESTMENT FOR AREA DEVELOPERS

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to be Made
Area Development Fee (Note 1)	$48,000	One Installment	On Signing Development Agreement	Us
Legal and Accounting	$2,500 - $5,000	As Third Party Specifies	As Incurred	Attorney, Accountant
Additional Funds	$20,000 - $50,000	As Supplier requires	Monthly except bi-weekly payroll	Start-up capital, employees
Total (Note 2,3,4)	**$70,500 - $103,00_ (excluding real property)**			

Note 1: The Area Development Fee listed above is for two (2) locations, the minimum number of locations required for an Area Development Agreement. The Area Development Fee for three locations is $63,000 and each location after your third location is $20,000 per location.

The second location must be open within one hundred twenty (120) days from your Opening Date of the first location. The third and each subsequent location must be open within one hundred twenty (120) days of the Opening Date for each preceding location. The Area Development Fee is payable at the time of signing the Area Development Agreement.

Note 2: All fees payable to us are fully earned when paid and non-refundable. Area Development Fees are payable to us upon signing the Area Development Agreement.

Note 3: These payments are only estimates and your costs may be higher. You should review these figures carefully with a business advisor, accountant or attorney before making any decision to enter into an Area Development Agreement. We do not offer financing for your initial investment. The availability and terms of financing with third party lenders will depend upon factors such as the availability of financing generally, your credit-worthiness and policies of lending institutions concerning the type of business to be operated.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

One of our prime objectives is to ensure quality control and protect the image of the franchise system. The success of our system depends upon the high standards, obtaining clients, scheduling your services, satisfaction of your clients and the health and safety of those clients. In order to achieve these high standards, you are required to offer and/or sell all items and services approved by us and not deviate from our standards and specifications by offering or selling unapproved items or services.

Site Selection and Lease of Premises

Pursuant to the Franchise Agreement, you must obtain our approval for the site of your BarbaraKares location. We have the right to approve the terms of any lease. Any lease that you sign must be exclusively for the operation of a BarbaraKares location and must provide that upon termination or expiration of the franchise, for any reason, we or an affiliate will have the right, but not the obligation, to assume the lease, and replace you as tenant. If we exercise that right, we will fully indemnify you from liability for future rent and other future obligations under the lease (though not from liability for unpaid rent or any then-existing liabilities or obligations under the lease). You must agree to sign any document required to assign the lease to us or our designee (Exhibit "J" to the FDD).

Purchase or Lease of Equipment, Furniture, Fixtures

You must use signs, furnishings, supplies, fixtures and equipment which comply with our standards and specifications. Specifications may include minimum standards for delivery, performance, design, and appearance, and local zoning, sign and other restrictions.

Specifications, Standards and Procedures

You agree to operate the BarbaraKares franchise in strict conformity with our standards, specifications and procedures as described in the Franchise Agreement, the Operation's Manual and other written documents. You must equip, maintain, staff and operate the franchised BarbaraKares location strictly in accordance with the methods, procedures and techniques we, from time to time, establish and publish in the Operation's Manual and other written documents, which may be modified from time to time. The Operation's Manual may be printed or in electronic format, at our discretion. We have the right under the Franchise Agreement, to change standards, specifications and procedures applicable to the operation of the Franchise, including those for equipment, furniture, fixtures, signs, products, new techniques, use of new or modified logos, trade names, service marks, new food items, or copyrighted materials. You recognize our right to make any such modifications or changes and agree to accept, implement, use and display such changes and modifications at your expense. You agree that you will make all changes or modifications that we may require, within a reasonable time after notice from us.

Approved Suppliers and Supplies

We will give you a list of approved suppliers authorized for the Franchised Business ("Approved Suppliers List") and a list of approved inventory, products, fixtures, furniture, equipment, signs, stationery, forms, supplies and other items or services necessary to operate the Franchised Business ("Approved Supplies List").

You must purchase your equipment, products, merchandise and supplies only from our approved suppliers as described in this Item 8. You will pay the then-current price in effect for all purchases you make from us, our affiliate or any third party vendor we designate. The cost of required equipment, fixtures, and supply purchases in accordance with specifications represent 9% to 12% of your total purchases in connection with establishment of your franchise. The ongoing purchase of supplies from approved sources will represent 1% to 5% of your overall purchases in operating your franchise.

Any item used in the Franchised Business which is not specifically required to be purchased in accordance with the Approved Suppliers List or the Approved Supplies List must conform to our established standards and specifications.

Approved Supplier and Approved Supplies Lists also may include other specific products without reference to a particular manufacturer or supplier, or they may set forth the specifications and/or standards for other approved products. For example, as noted below, you must obtain insurance that meets our standards and requirements. We may revise the Approved Suppliers List and Approved Supplies List from time to time as we deem advisable. We will determine and give you the contact information for the distributors and/or manufacturers of all products offered by you. We do not provide you with material benefits (for example, successor franchises or granting additional territory or franchises) based upon your purchases of particular products or services or use of particular suppliers.

Approval of Additional Suppliers or Supplies

If you would like to sell or use any product, material or item or purchase any products from a supplier not on either of these lists, you must notify us and may need to submit samples and other information to us so that we can make an informed decision as to whether the product or supplier meets our standards. You may be charged for the costs of our decision. We will approve your requested item or supplier within 30 days. Our application form for approving a supplier or item is published in the Operations Manual.

If you propose to use in the operation of your franchise any service, product, supply, material, furnishing or equipment which has not yet been approved by us as conforming to our specifications and quality standards and/or from a supplier not yet approved in writing by us, you must first notify us in writing and must submit to us sufficient information, specifications, and samples so that we can determine whether the item or service complies with System standards or the supplier meets our supplier criteria.

We will provide you with our criteria for approving supplies and suppliers within 30 days of your request for that information.

We will provide you with written approval or disapproval within a reasonable time period (typically 30 days) after you have supplied all the information we request from you. You may not use any supplier, service, product, supply, material, furnishing or equipment that we have not approved.

Supplier approval will depend on service or product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service, and/or a supplier’s willingness to pay us or our affiliate for the right to do business with our System. We may inspect or re-inspect the facilities and products of any approved supplier and revoke our approval if, in our sole judgment, the supplier fails to continue to meet our criteria and specifications. We consider a supplier's ability to timely deliver products in the quantity necessary, the price and quality of a product, and a supplier's location among other things when approving a new supply or supplier.

Nothing contained in this Disclosure Document or in the Franchise Agreement requires us to approve an inordinate number of suppliers of a given item or approve suppliers, which, in our reasonable judgment, would result in higher costs to our franchisees or prevent, in our sole judgment, our effective and economical supervision of suppliers.

Computer and Software

You must obtain and use the computer hardware and/or operating software and/or communications capabilities we specify from time to time (the "Computer System"). We may modify specifications for and components of the Computer System. We currently require you to use Caryfy, Bench.co, Viventium and Bambee software. You may not use any hardware and/or software in the operation of your franchised Barbarkares location without our prior approval, which approval will not be unreasonably withheld (See Item 11).

Advertising by Franchisee

You may not engage in any advertising program or use any other advertising, including local advertising placed on television, print, digital or any other media (including but not limited to websites, online advertising, social media marketing or presence, digital marketing and sponsorships), or prepare or use any marketing materials, unless we have approved it in writing. All references to advertising, shall include, but shall not be limited to, electronic advertising, whether by internet, social media platforms or otherwise.

Insurance

You must maintain in force at your sole expense comprehensive public liability coverage, general liability insurance, personal injury coverage and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Franchised Business's operation, all containing the minimum liability coverage we prescribe from time to time. The current requirements for insurance policies and coverage include: (1) comprehensive general liability insurance with limits of at least $1 million per occurrence and $3 million aggregate; (2) workers' compensation, $1,000,000 each accident, $1,000,000 disease (each employee) and bonding of $10,000 per occurrence, as well as employer's liability insurance as well as other insurance that may be required by statute or rule of the state in which the Franchised Business is located and operated; (3) personal injury coverage with limits of at least $1 million per occurrence and $1 million aggregate; (4) property damage coverage with limits of at least $1 million per occurrence and $1 million aggregate; (5) professional liability coverage with limits of at least $1 million each incident and $3 million aggregate; (6) employment practices liability insurance with limits of at least $25,000 per occurrence and $2,500 deductible; and (8) automobile liability insurance, and property damage liability, including owned, non-owned, and hired vehicle coverage, with at least $1 million general aggregate limit. You also must obtain and maintain a fidelity bond in an amount at least equal to the great of (i) the amount required by applicable state and local laws and regulations or (ii) the amount specified in the Operations Manual. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional coverage (including reasonable excess liability insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. These insurance policies must name us and any affiliates we designate as additional named insured and provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. You routinely must furnish us copies of your Certificates of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain comparable insurance for you and the Franchised Business on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining the insurance. You must utilize our approved company for professional and liability insurance selected by Franchisor, (or our then current insurance company). This is currently Bobby Murphy Insurance.

We may operate and change the Franchise System in any manner that is not expressly or specifically prohibited by the Franchise Agreement. Because complete and detailed uniformity under many varying conditions may not be possible or practical, we specifically reserve the right and privilege, as we consider it to be best, to vary System Standards for any franchisee or any franchised business based upon the peculiarities of any condition that we consider important to that franchisee's or franchised business's operation. Periodically, we may modify System Standards, and to the extent the changes to the System Standards will apply, generally, to franchisees and offices operating under the System, these modifications may obligate you to invest additional capital in the Franchised Business and/or incur higher operating costs. You must implement any changes in the System Standards within a time period we request, whether they involve refurbishing, or remodeling the Premises or any aspect of the Franchised Business, buying new operating assets, adding new services offered by the Franchised Business, or otherwise modifying the nature of your operations.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	SECTION IN AREA DEVELOPMENT AGREEMENT	DISCLOSURE DOCUMENT ITEM
a	Site selection and acquisition/lease	§ 2 and 4	§ 5	Items 6 and 11
b	Pre-Opening purchases/leases	§ 4, 5 and 6	§ 3, 4, 5 and 6	Items 7, 8 and 11
c	Site development and other pre-opening requirements	§ 2, 4, 5 and 6	§ 3 and 5	Items 6, 7 and 11
d	Initial and ongoing training	§ 3, 4 and 7	None	Items 6, 7 and 11
e	Opening	§ 3, 4, 5, 7, 11 and 15	§ 2, 3 and 4	Item 11
f	Fees	§ 3, 6, 7 and 12	§ 4	Items 5, 6 and 7

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	SECTION IN AREA DEVELOPMENT AGREEMENT	DISCLOSURE DOCUMENT ITEM
g	Compliance with standards and policies/Operation Manual(s)	§ 3, 4, 5, 6, 7, 9, 11, 12, 13 and 19	§ 3, 5, 7 and 8	Items 11 and 17
h	Trademarks and proprietary information	§ 5, 8, 9, 11 and 12	§ 7 and 8	Items 13, 14 and 17
i	Restrictions on products/services offered	§ 5, 8 and 11	§ 3, 5, 7 and 8	Items 16 and 17
j	Warranty and customer service requirements	None	None	None
k	Territorial development and sales quotas	None	§ 2, 3 and 5	Item 12
l	Ongoing product/service purchases	§ 5 and 11	§ 3, 5 and 8	Item 8
m	Maintenance, appearance and remodeling requirements	§ 5 and 11	§ 3, 4, 6 and 8	Items 11 and 17
n	Insurance	§ 11	§ 3 and 12	Items 6 and 8
o	Advertising	§ 5, 8, 11 and 12	§ 3, 7 and 8	Items 6 and 11
p	Indemnification	§ 18	§ 12	Item 6
q	Owner’s participation/ management/staffing	§ 1, 5 and 7	§ 6	Items 11 and 15
r	Records/reports	§ 3, 4, 6, 10, 11 and 13	§ 3, 4, 5 and 10	Items 6, 11 and 17

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	SECTION IN AREA DEVELOPMENT AGREEMENT	DISCLOSURE DOCUMENT ITEM
s	Inspections/Audits	§ 6 and 14	§ 3, 4, 5 and 10	Items 6, 11 and 17
t	Transfer	§ 15	§ 11	Item 17
u	Renewal	§ 3	§ 2 and 3	Item 17
v	Post termination obligations	§ 16 and 17	§ 9 and 10	Item 17
w	Non-competition covenants	§ 9, 10, 17 and 19	§ 7, 10 and 13	Item 17
x	Dispute Resolution	§ 19	§ 13	Item 17

ITEM 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Preopening Assistance

Before you begin operating your business:

(i) We will approve the location of your business and provide you a territory surrounding the site of your business where we will not place another BarbaraKares Franchisee (Franchise Agreement, Section 4).

(ii) We will provide to you lists of approved and suggested suppliers for the equipment, goods and materials you will need to operate the Franchised Business (Franchise Agreement Section 5).

(iii) We will provide you an electronic copy of the Operating Manual and other documents containing mandatory and suggested specifications, standards, operation rules established from time to time by us and information relative to your obligations and the operation of your franchise business (Franchise Agreement Section 11).

(iv) We will provide 4 days (32 hours) of classroom training and 1 day (8 hours) of on the job training before opening to assist and guide you in operating your franchise. We will help you establish suggested pricing for your franchise services. You must obtain our approval of all pricing prior to opening your franchised business.

(v) We will provide pre-opening telephone support and assistance prior to opening your franchise with advice in the necessary tasks, steps and actions to open your franchise.

(vi) We will assist you in ordering your initial equipment and supplies and will advise you on the expenditure of your opening marketing and advertising efforts. You are required to spend a minimum of $1,000 to $2,000 in local "Opening" marketing and advertising.

Optional Assistance During the Operation of The Franchised Business

(i) We will provide to you, from time to time, as we in our sole discretion deem appropriate, advice and materials concerning techniques of managing and operating your Franchised Business, including promotional materials designed to enhance the quality and effectiveness of your Franchised Business (See Section 7 of the Franchise Agreement).

(ii) We may in our sole discretion, update the Approved Supplies and Supplier list as we deem necessary (See Section 5 of the Franchise Agreement).

(iii) We may change or modify the System, including the use of new or modified trade names, trademarks, service marks, new computer programs and systems, supplies, merchandise, products, equipment or new techniques (Section 11 of the Franchise Agreement).

(iv) We may arrange, from time to time, in our sole discretion, as we deem appropriate for new strategic alliances with third parties. You may, but are not required to participate. If you do elect to participate, you will be required to comply with the terms of such strategic alliance program. We do not currently plan to charge a fee to participate in strategic alliance programs.

Marketing and Technology Fund

We will maintain a Marketing and Technology Fund into which all franchisees will contribute a half percent (.5%) of Gross Revenue per month. The Fund may be increased up to 1.5% upon a thirty-day written Notice. Monthly payments to the Marketing and Technology Fund will be made through our electronic funds transfer system on the 5th day of each month described in Item 6. Our current affiliate location as well as future affiliate or company owned locations will not contribute to the fund. Any location owned jointly or separately by any of our officers or directors will not contribute to the fund. The fund will be administered by us and there will be annual unaudited financial statements accounting for the placement of all Marketing and Technology Fund fees. Upon your written request, we will make available to you an unaudited statement setting out the fund income and expenses for the calendar year. We will not receive any payment or fee for providing services to the fund. Surplus funds at the end of any year will be carried over into the following year. Some advertising media will be generated by us and other items may be produced by selected agencies. We will determine in our sole discretion how and where the Marketing and Technology Fund will be spent, whether local, regional or national marketing. The fund will not be designated for the benefit of any specific franchisee, but for the benefit of the system as a whole as we may determine from time to time.

The Marketing and Technology Fund will support our National Website which will also contain each franchisee's individual location information. We were formed August 31, 2024 to begin our franchising program in 2025. As of the issuance date there have been no funds collected for the Marketing and Technology Fund.

National Website

The National Website will become a primary marketing source for the franchise system. Its major purpose is to establish and promote our brand that will attract business for our franchisees and provide an internet presence for each franchisee. We will benefit from contacts by new franchisee candidates through this website, and our franchise opportunity information and application pages will be present within the site. As with all other advertising materials, stationery and business cards, the site will also contain references to the fact that "Franchises Are Available" and that "Each Franchised Business Is Independently Owned and Operated."

The National Website contains all of the basic information about the franchise system and the services offered by our locations. Each franchisee receives the following direct benefits from the website in return for the payment of the Marketing and Technology Fund:

(i) Listing for your franchise which will provide your franchise with an internet presence, including your business address and telephone information, photographs showing your personnel and location and other information about your local franchise. You do not have any responsibility or expense for designing, hosting, modifying, managing or operating this website presence;

(ii) If we deem it necessary to do so because of increased costs to us, we may develop proprietary software or alternate sources to provide email hosting and/or other services. If so, we or our designee shall license the software to you and we may need to make a reasonable increase the Marketing and Technology Fund fee as a result. You agree to pay the increased fee required by us and you will comply with all specifications and standards prescribed by us from time to time in our operations manual.

Computer Requirements

You are solely responsible for the acquisition, operation, maintenance and upgrading of your computer system.

(i) Hardware – We require you to purchase either a laptop or desktop computer system, to operate your Franchise Business. You may obtain your computer system from any vendor so long as it meets our requirements. The current cost of the required computer hardware is between $1,000 and $2,000.

(ii) Software – We require all franchisees to use the software we specify in our operations manual, although we may change this software with an alternate software at any time. The current cost of the systems software is approximately $750 to $1,500 per month. You will pay the vendor the cost of use of the operating software.

The operating software provider and fees are subject to change. If we change software, you will be responsible for the cost of any replacement software. In addition, we may asses a technology fee for licensing any related maintenance and/or upgrade fees related to this software.

When you execute our Franchise Agreement, you will acknowledge that as a user of the software you are responsible for compliance with all local, state and federal laws and the accuracy of all information inputted into, contained in, generated by or accessible from this software. We do not give any warranties relating to software, including but not limited to, warranties of merchantability or fitness for a particular purpose.

Your right to any software license or the use of any technology may be conditioned upon your signing a license agreement or other similar document that regulates your use and limits your rights, with respect to the software or technology.

(iii) Maintenance and Upgrade Requirements and Costs – We are not obligated to provide any ongoing maintenance, repairs, upgrades or updates for your computer system and software, and neither our affiliate nor any other third parties have any obligation to do so. We may require that you purchase a maintenance and support contract for your computer system and software. We reserve the right to change the software and computer system requirements at any time during the term of your Franchise Agreement, and you are obligated to upgrade or update your software and computer system at the time we implement those changes. There are no contractual limitations on the frequency and cost of your obligation to upgrade or update your software and computer system to meet any new requirements that we implement. We need not reimburse you for any of these costs.

(iv) Internet and E-mail Access – You must have a reliable, redundant high-speed Internet connection as well as a functioning e-mail address so that we can send you notices and otherwise communicate with you by this method. We may provide you with a preferred BarbaraKares email address for business use as a Franchised Business owner.

(v) Access to Information – During the term of your Franchise Agreement, we and you will jointly own all information generated by or stored that you use to operate the Franchised Business. We have the right to access all information related to the Franchised Business at any time during the term of your Franchise Agreement and periodically may establish further policies respecting the use of access to such information. Sole ownership of that information will revert to us if your Franchise Agreement is terminated, and you must immediately transfer such information to us upon termination.

(vi) Payroll Systems – We require you to use a payroll service (currently Viventium) to ensure proper preparation of your payroll.

Bench.co Accounting Application

We require you to use Bench.co as the accounting application for your franchise. The software is an online service.

You must comply with the requirements and our required procedure to maintain accurate and up to date accounting records. You will provide monthly and other reports as determined by us, including updating master file records to comply with changes in accounting practices. As with all computer and internet information we have complete access to all accounting information at all times.

The accounting support we provide includes responses to questions related to the accounting standards and general use of the software. The technical support for the software is provided by the Bench.co hosting vendor.

Confidential Operating Manual

We will loan you one copy of our Franchisee Operations Manual ("Manual") which contains mandatory and suggested specifications, standards and operation procedures as we prescribe and may also include information relative to your Franchise Agreement. The Manual may be amended or modified from time to time to reflect changes in our System. You must keep the Manual confidential and current, and may not copy any part of the Manual. The table of contents for the Manual is listed in Exhibit "D". There are 645 pages in the Manual.

Time to Open

You must be open to the public within 120 days from the signing of the Franchise Agreement, subject to unavoidable delay or failure to perform [Force Majeure] (Franchise Agreement – Section 5).

You may not open your franchised BarbaraKares location for business until: (1) we approve that the franchise is being developed according to our specification and standards; (2) pre-opening training of you and your personnel has been completed to our satisfaction; (3) you have completed all pre-opening marketing requirements; (4) the Initial Franchise Fee or Area Development Fee and all other amounts then due to us have been paid; (5) we have been furnished with copies of all required insurance policies, or such other evidence of insurance coverage and payment of premiums as we request; and (6) we have received signed counterparts of your lease and all other required documents pertaining to your Site.

You must have signed a purchase or lease agreement and open your franchised BarbaraKares franchise location within One Hundred Twenty (120) days after the date of the Franchise Agreement (Franchise Agreement-Section 5). If you have signed an Area Development Agreement, you must open the second location within One Hundred Twenty (120) days of the Opening of the first location. If applicable to your agreement, you must open the third and any subsequent locations within One Hundred Twenty (120) days of the Opening Date for each of the immediately preceding locations (Area Development Agreement – Section 3).

Under the Area Development Agreement, you must sign a separate Franchise Agreement for each of the Franchise Locations required to be opened in the designated territory set our in the Area Development Agreement. You shall submit a site report to us for each location required to be open, before acquiring any interest in it (by lease or purchase). We will evaluate each proposed site and approve or reject the site in our discretion but based upon such factors as demographics, traffic patterns, land use and zoning, licensing and regulatory concerns, residential and recreational quality, parking, neighborhood, renovation and construction concerns and competitions with other locations. The Franchise Agreement will then govern the requirements for the opening of each location, provided each location to be developed pursuant to the Area Development Agreement must be opened with 120 days and of the Opening Date for each of the immediately preceding locations.

Franchisee Management Certification Training

We provide a mandatory initial training course before you begin to operate the franchise. We do not have regularly scheduled training classes. Training consists of classroom sessions for a period of 4 days (32 hours) and Opening training for 1 day (8 hours) totaling 5 days (40 hours). Currently we provide Certification Training at the locations in the chart below. It is mandatory that the majority owner and/or operating partner complete the initial franchise training.

Franchisee Management Certification Training Program

Subject	Classroom Hours	On-Site Hours	Location
Chapter 1: Introduction Chapter 2: Welcome to Barbarakares International Chapter 3: Support Resources Purpose of the Manual	0.5	0	Milledgeville, GA

Subject	Classroom Hours	On-Site Hours	Location
Chapter 4: Pre-opening Timetable & Obligations Chapter 5: Franchisee Training Requirements Chapter 6: Staffing Your Barbarakares International Franchise Setting Up Your Business Licensing and Certification Requirements	0.5	0	Milledgeville, GA
Chapter 7: Office Policies Chapter 8: Office Operation and Maintenance Chapter 9: Office Equipment, Computer System, Inventory, and Supplies Social Media and Online Presence Guidelines	0.5	0	Milledgeville, GA
Process for Front office, Nursing, Caryfy Training, Structured Family Caregiving health coach training	8	5	Milledgeville, GA
Chapter 10: Administration Chapter 11: Reports, Audits & Inspections Chapter 12: Vehicle Administration	1	0	Milledgeville, GA
Chapter 13: Marketing	2	0	Milledgeville, GA
Chapter 14: Sales & Pricing	2	3	Milledgeville, GA
Process Caregiver Onboarding Training	4	0	Milledgeville, GA
Chapter 15: Insurance Requirements & Risk Management	2	0	Milledgeville, GA

Subject	Classroom Hours	On-Site Hours	Location
Process for Billing	1	0	Milledgeville, GA
Chapter 16: Corporate Structure and Financing	1	0	Milledgeville, GA
Chapter 17: Trademarks and Trade Secrets - Protection Policies Chapter 18: Field Operations Chapter 19: Resale, Transfer, Renewal and Closing	1	0	Milledgeville, GA
Chapter 20: Expansion and Relocation Requirements	0.5	0	Milledgeville, GA
TOTALS	24	8	

Notes:

(1) We will provide this initial training at no additional charge to you. You must pay all travel and living expenses for you and your trainees. We may increase, decrease and/or adjust the above training program to the extent that we deem appropriate.

(2) Joshua Flournoy is our primary trainer. He is described in Item 2 of this document. We may substitute trainers and speakers depending on availability. Manuals will be used as our primary training material.

(3) All of the above specifications and descriptions are subject to change as we may determine the need to do so.

BarbaraKares New Franchisee Opening Training

Subject	Classroom Hours	On-Site Hours	Location
Team Orientation (Culture, Values, Expectation) Goal setting /Commitments	0	0.5	Franchise Location
Telephone and Sales Training (scripts)	0	0.5	Franchise Location

Subject	Classroom Hours	On-Site Hours	Location
Office Setup	0	0.5	Franchise Location
Software Training/client and employee process	0	2	Franchise Location
Operations/Procedures / Internal Audit	0	0.5	Franchise Location
Employee process	0	1	Franchise Location
Client process	0	1	Franchise Location
Administrative (Payroll, Finance, Taxes, Invoicing, Accounts Receivables, Forms, Emails)	0	1	Franchise Location
In Home Assessment /Nursing Opening/Closing Procedures	0	1	Franchise Location
TOTALS	0	8	

Other Conference/Training/Educational Events

Each person who signs the franchise agreement must attend our forty (40 hour on site Opening training session and any Conferences that may be scheduled from time to time as we may determine to be necessary at our company headquarters in Milledgeville, GA, or at a different location of our choosing. Conferences will not exceed five (5) days in length. If you purchase more than one (1) franchise territory, then the manager from each location must attend the above sessions.

During the operation of your business, we will, upon your request and at your expense, and to the extent we have personnel available, send one or more members of our staff to the franchised business to provide additional follow-up assistance and training (Franchise Agreement – Paragraph 7.4).

Other Services

We will provide the following services as we may from time to time determine the need to do so: teleconference and coaching assistance in marketing procedures and methods; assistance in pricing of services; and information on new methods and new services.

Although not required to do so under the Franchise Agreement, we may provide other supervision, assistance or services during the operation of the franchise business, including providing you with promotional materials and promotional techniques, as we may determine.

At your request and for an additional fee we may visit your franchise business for the purpose of consultation, assistance, and guidance in all aspects of the operation and management of the franchise business.

We may furnish you with such assistance in connection with the operation of the franchised business as is reasonably determined to be necessary by us from time to time.

ITEM 12
TERRITORY

Your Territory.

You will receive a geographic territory (the "Protected Territory") in which you will operate your BarbaraKares location. During the Site Selection Period, you must obtain our acceptance of the Site, which must be located in the Site Selection Area. If we have not accepted the site and designated the Protected Territory before execution of the Franchise Agreement, you must, during the first 90 days of the Site Selection Period, submit to us for acceptance, and obtain our acceptance of your franchised location. Your Protected Territory will be an area surrounding the location with a minimum population of 150,000 (U.S. Census Bureau), persons, or a radius of six (6) miles, whichever is the lesser area. Subject to this grant of minimum population and area, we reserve the absolute right to adjust the territorial boundaries as we determine to be necessary in our sole discretion. You must submit a proposed Site located in the Site Selection Area to us for acceptance during the first 90 days of the Site Selection Period. We will notify you of our acceptance or rejection of any proposed Site within 30 days of our receipt of all information we request. However, if you have submitted a proposed Site to us before the expiration of the Site Selection Period (90 days), and we have not notified you of our acceptance or rejection before expiration of the Site Selection period, we will have 30 additional days to notify you of our decision. You may not relocate your BarbaraKares location without our prior written approval.

The Protected Territory will be designated by us once the location is accepted by us and indicated as Exhibit G-Two to the Franchise Agreement. Once a site has been selected and lease negotiations entered into a copy of the lease must be provided to us for our review and approval prior to execution. Our approval of the lease indicates only that we believe that its terms fall within the acceptable criteria we have established as of the time of our approval. (Franchise Agreement–-Section 4 and Exhibits G-One and G-Two). Except for the rights we reserve below, we will not sell another franchise or open a company-owned BarbaraKares location in your Protected Area during the term of the Franchise Agreement. We may develop, use, and license within or outside your Protected Territory other products or services involving Marks other than those used in connection with the System. You may not solicit or market outside your Protected Territory by means of (a) direct marketing by telephone, mail, flyers or other means; or (b) any marketing method which targets anywhere outside your Protected Territory, except for our written approval of television, radio and print advertising media that may incidentally have coverage outside your Protected Territory.

If a city is located within your Protected Territory, then you may utilize the name of the city in your marketing methods.

Your Franchise Agreement does not provide any rights of first refusal for additional locations. Except by written agreement with us you do not receive the right to acquire additional franchises within your territory. e.

Rights We Reserve: Franchise Agreement

You will not receive an exclusive territory. You may face competition from other franchisees, from locations we own, or from other channels of distribution or competitive brands that we control. You will not receive any compensation from franchisor for sales or products or services provided in your protected territory. We retain the rights to :

1. establish, and grant to other franchisees the right to establish franchises anywhere outside the Protected Territory, on such terms and conditions as we deem appropriate (even immediately outside the border of the Protected Territory), but not within the Protected Territory of your Franchise Business you open under the Franchise Agreement and continue to operate under it.

2. operate, and grant franchises to others to operate businesses, whether inside or outside the Designated Territory, specializing in the sale of services, other than a Competitive Business or a Franchise Business, using some of the Marks and/or all of the Marks pursuant to such terms and conditions as we deem appropriate.

3. operate, and grant franchises to others to operate businesses or provide other services, whether inside or outside the Protected Territory, that do not use any of the Marks;

4. market and sell, inside and outside of the Protected Territory, through channels of distribution other than full service Franchised Business franchises.

5. purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks other than, while this agreement is in effect, the Marks, regardless of the location of these businesses and/or facilities, which may be within the Protected Territory or immediately outside its border.

6. You cannot provide services outside your territory without our written authorization.

7. You cannot advertise for or attempt to solicit clients outside your territory without our prior written consent. Upon our demand you must discontinue using all advertising and telephone numbers which are active in the area outside your territory and direct the telephone company servicing you to transfer to us or a person or company we designate all of the telephone numbers registered to you there.

There are no minimum sales quota for maintaining the Protected Territory granted for your franchise, or other circumstances that give us the right to modify your territory, if you are otherwise in compliance with all of your agreements with us.

<u>Area Development Agreement</u>

We may, but are not required to, enter into an Area Development Agreement with you which provides for the development of a specified number of BarbaraKares locations within a defined geographic area over a specified term. An Area Development Fee for the geographic area is required, based upon the number of franchised locations developed. You must enter into the then-current Franchise Agreement for each franchised BarbaraKares location established under the Area Development Agreement. You are not entitled to additional development rights beyond those specified in the Area Development Agreement. You are responsible for submitting a complete site report for each franchised location. Each site is subject to our acceptance, which will not be unreasonably withheld. We also have the right to refuse to grant a franchise for a proposed BarbaraKares location if you do not meet financial criteria established by us. In approving a site within the Area Development Agreement designated territory we consider such factors as demographics, traffic patterns, land use, and zoning, licensing and regulatory concerns, residential and recreational quality, parking, neighborhood, renovation and construction concerns and competition with other franchises. Once approved the Franchise Agreement will govern each franchise, provided each franchised location must be opened within the above required time limits.

Area Development Agreement: Development Quota

Your Area Development Agreement will contain a Development Quota specifying a series of Development Periods, the number of franchised locations you must open during each Development Period and the cumulative number of franchised locations you must have opened through the end of the Development Period in question. Franchised locations will not count towards meeting the Development Quota for any Development Period until each has been fully constructed, developed and opened operations in accordance with the specific respective franchise agreements with us. We determine if any franchised location has "opened" for purposes of meeting the Development Schedule and any Development Quota for any Development Period. If a franchised location is permanently closed after having been opened, you must develop and open a substitute franchised location within one year from the date of its permanent closing separate and apart from the Development Schedule.

Rights We Reserve: Area Development Agreement

1. Your Development Territory is not exclusive; we retain the right to establish and grant our affiliate, subsidiaries or parent entity the absolute right to establish BarbaraKares locations at a specific location or an area within the Designated Territory or to grant other franchisees the right to establish franchise locations within the Designated Territory, but if other franchisees desire to enter into a Franchise Agreement for a franchised BarbaraKares location at a specific location or an area within the Designated Territory we will offer you a right of refusal to open your next scheduled franchised BarbaraKares location at that specific location or area within the Designated Territory ("Right of Refusal Area") provided however if your Area Development Agreement for the Designated Territory was executed first in time (the first Area Development Agreement signed within the Designated Territory), your right of refusal shall be a First Right of Refusal for the specific location or area within the Designated Territory. If you entered into an Area Development Agreement second in time for the Designated Territory, your right of refusal shall be a Second Right of Refusal and you will not be offered the Right of Refusal Area unless the Developer with the First Right of Refusal did not accept the Right to Develop locations within the Right of Refusal Area. If there are any Developers which entered into an Area Development Agreement subsequent in time to a preceding Developer, they will be offered a right of refusal for the Right of Refusal Area only if the preceding Developer refused the opportunity to develop a BarbaraKares location for the Right of Refusal Area; and you will have seven (7) days from the date of our notice offering you the right to develop your next franchised BarbaraKares location in the Right of Refusal Area, to provide us with your written commitment to accept the obligation to open your next BarbaraKares location within the Right of Refusal Area and in addition you must find a site within ninety (90) days which is acceptable to us and also enter into our Franchise Agreement for the location. You will then have one hundred twenty (120) days from the date of the Franchise Agreement to open the Franchised Location. You will not receive an exclusive territory. You may face competition from other Franchisees, from locations that we own, or from other channels of distribution or competitive brands we control. If you

have signed an Area Development Agreement, you must open the second location within one hundred and twenty (120) days of the Opening Date of the first location;

2. establish and grant to other franchisees the right to establish franchised BarbaraKares locations anywhere inside or outside the Designated Territory, on such terms and conditions as we deem appropriate (but not within the Protected Territory specified in the Franchise Agreement of any BarbaraKares location you operate under that Agreement and continue to operate);

3. operate and grant franchises to others to operate businesses, whether inside or outside the Designated Territory, specializing in the sale of products or provision of services, other than a Competitive Business or franchised BarbaraKares location, using certain of the Marks and pursuant to such terms and conditions as we deem appropriate;

4. operate and grant franchises to others to operate businesses, or provide other services, whether inside or outside the Designated Territory, that do not use any of the Marks;

5. market and sell, inside and outside of the Designated Territory, through channels of distribution other than the franchised location (like internet, e-commerce, mail order or grocery, retail or convenience stores) or through special purpose sites including military bases, public transportation facilities (race tracks, airports, student unions or similar buildings on college or university campuses, amusement and theme parks, and through sites which are covered or closed traffic malls, all of which are designated ("Sites We Reserve"). Such Sites We Reserve are not protected and are not part of your Designated Territory; and

6. purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks other than, while this Agreement is in effect, the Marks, regardless of the location of these businesses and/or facilities, which may be within the Designated Territory or immediately outside its border.

Designated Territory: Default Under the Area Development Agreement

We have the right to terminate an Area Development Agreement if you default under its terms or under the terms of any Franchise Agreement or other agreement you have with us. If you do not achieve the Development Quota specified in the Area Development Agreement, we, in our sole control, may, (but are not required to do so):

1. terminate the Area Development Agreement;

2. have the right to operate (directly or through affiliates) or grant franchises for the operation of franchised BarbaraKares locations within the Designated Territory;

3. reduce the Designated Territory and the Development Schedule to a size and magnitude that we estimate you are capable of operating otherwise in accordance with the Area Development Agreement

ITEM 13

TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to use the proprietary Marks "BarbaraKares In-Home Services" and "BarbaraKares" in connection with your franchise for your use and only in the manner authorized and permitted by us. The Area Development Agreement does not grant you the right to use the proprietary Marks or System. You may not directly or indirectly contest our rights in the Marks.

The Mark "BarbaraKares In-Home Services" was registered with the United States Patent and Trademark Office ("USPTO") by Joshua Flournoy LLC, was assigned to us thereafter, and is based upon actual use as follows:

Standard Service Mark: BarbaraKares In-Home Services

Registration No.: 5499473

Registration Date: June 19, 2018

Principal Register Owner: BarbaraKares International, Inc.

The Mark "BarbaraKares" was filed on the principal register and is pending registration with the United States Patent and Trademark Office ("USPTO") as follows

BARBARAKARES

Standard Service Mark

Serial No.: 98772680

Filing Date: September 26, 2024

Principal Register Owner: BarbaraKares International, Inc.

All required affidavits have been filed and accepted in a timely manner. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeals Board, the Trademark Administrator of any state or any court relating to the Mark. There is no pending infringement, opposition or cancellation involving the Mark; no known superior rights or infringing uses actually known to us that could materially affect your use of the Mark; and no pending material litigation involving the Mark. All affidavits and renewals required to be filed have been filed.

Other than our license agreement, there are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed in this Section in a manner material to the franchise to be sold.

The franchise agreement grants you the non-exclusive right to use the Marks to identify the products and services offered by us. We have the right to require you to modify or discontinue your use of any Mark. If we exercise this right, we will provide advance notice to all franchisees. We will have no liability or obligation for your modification or discontinuance of any Mark or promotion of a substitute trademark, service mark or trade dress.

You must follow our rules when using the Mark. You must receive our approval when choosing your corporate name and you cannot use the Marks as part of the corporate or other legal entity name or with modifying words, designs or symbols without our consent. All of your usage of the Marks and any goodwill you establish is to our exclusive benefit and you retain no right in the Marks on termination or expiration of the franchise agreement. You must also obtain fictitious or assumed name registrations as we require, or under applicable law.

Neither the franchise agreement nor area development agreement contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Marks. You must immediately notify us of any apparent infringement of or challenge to your use of any Mark or claim by any person of any rights to any Mark. We will have the sole discretion to take any action we deem appropriate and will have the right to control exclusively, any litigation or USPTO or other administrative proceedings arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must execute any and all instruments and documents, provide assistance and do such things as, in the opinion of our counsel, may be necessary or advisable to protect our interest in any litigation or USPTO or other proceeding or otherwise to protect our interest in the Mark. We have no obligation under the franchise agreement or area development agreement to protect you against or reimburse you for any damages for which you are held liable.

We may not be able to prevent anyone who began using the name BarbaraKares In-Home Care or any variation thereof before our use of it from continuing their use of that name in the area of prior use. The name BarbaraKares In-Home Care may be in use by other businesses in the United States who are not our franchisees or in any way affiliated with us. You will be responsible for finding out whether the name BarbaraKares In-Home Care is already being used in your granted Territory. Under the franchise agreement you release us from any liability to you caused by any prior use of the name BarbaraKares In-Home Care or any variation thereof by anyone else.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are material to the franchise. We claim copyright protection of our Manuals and related materials, certain proprietary information, knowledge and know-how concerning the methods of operation of the franchise and promotional materials, although these materials have not been registered with the United States Registrar of Copyrights. These items are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement.

There are no agreements in effect which significantly limit our right to use or license the copyrighted materials.

Franchisee Operations Manual(s)

During the term of the Franchise Agreement, we will provide electronically to you at no charge our Confidential Operating Manual(s) in which we assert a copyright interest. The Confidential Operating Manual(s), its supplements, and any other materials or information designated by us are confidential. You will not provide your employees access to the Confidential Operating Manual(s) unless necessary to operate your franchise.

You must use your best efforts to keep confidential all provisions in the Confidential Operating Manual(s), including any supplements or amendments that we provide. You are responsible for keeping your copy of the Confidential Operating Manual(s) up-to-date. The provisions in our master copy will control any disputes that arise. You agree to comply with every provision in the Confidential Operationing Manual(s) and every revision to the Confidential Operating Manual(s) that we may make from time to time, provided such revisions do not implement new or different requirements which alter the fundamental terms and conditions of the Franchise Agreement.

We will loan you a replacement copy if you lose or misplace your copy or supplements but we may require a reasonable replacement charge. You must not photocopy, scan, photograph or duplicate in any way from, or form, any part of the Confidential Operating Manual(s) without our written consent.

Trade Secrets and Know-How

We will be disclosing to you certain proprietary information in our programs, systems, techniques manuals, and trade secrets as well as know-how and operating format related to our methods and materials. You will also use certain materials in the operation of your Franchised Business in which we have a copyright interest. You, however, do not acquire any right or interest in such proprietary information.

You must not disclose any of our proprietary rights, information, or know-how, except as authorized in the Franchise Agreement. You must maintain adequate security in the control, use and handling of our proprietary materials as specified in the Confidential Operating Manual or in writing from us. All persons you employ who can access our proprietary materials are required to sign our approved Confidentiality Agreement (Exhibit “E”). All persons with an ownership or voting interest in an entity franchise and all individual franchisees or developers who enter into Franchise Agreements or Area Development Agreement and any person employed by or under an independent contractor relationship with you who receives or who will receive any training by us or you which is directly or indirectly related to the System or involves any of the Confidential Information must sign our Approved Confidentiality, Non-solicitation and Non-competition Agreement (Exhibits “M and N”). You must immediately notify us of any unauthorized use of our trade secrets. We have complete authority under the Franchise Agreement and Area Development Agreement to take such action or inaction as deemed appropriate.

Failure to comply with the requirements of the Franchise Agreement and Area Development Agreement with respect to confidentiality will cause us irreparable injury and you agree to pay us an amount equal to the aggregate of our cost of obtaining specific performance of, or an injunction against violation of, the requirements of the Franchise Agreement and Area Development Agreement concerning confidentiality, including without limitation, reasonable attorney fees, cost of investigation and proof of facts, court expenses, and damages incurred by us.

[Remainder of page intentionally left blank.]

ITEM 15

OBLIGATIONS TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

We require you to participate in the supervision of the franchise. We may, however, agree in writing to allow someone other than an owner to act as the on-premises manager. That person must complete our training program and cannot have any interest or business relationship with any of our competition and must sign a written agreement to maintain confidentiality of the proprietary information and trade secrets described in Item 14 and conform to the covenants not to compete as described in Item 17. We may, in our sole discretion, allow Franchisees or Area Developers to be corporations, limited liability companies or other entities subject to our approval; however, if a corporation, limited liability company or other entity is allowed to be a franchisee, the individual stockholders, members, etc. must personally guarantee the obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for, the breach of every provision of the Franchise Agreement, including confidentiality and non-competition provisions. Additionally, a principal owner of the business entity (with ownership of at least 10% of its voting securities) must have management responsibility and authority over the BarbarKares location on a day-to-day basis. If you are a partnership, each partner must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for, the breach of every provision of the Franchise Agreement. They must further agree to be bound by the confidentiality and non-competition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interest. Non-individual franchisees that enter into Area Development Agreements are subject to these requirements as well. All persons with an ownership or voting interest in a non-individual franchise or Area Development Agreement and all individual franchisees who enter into Franchise Agreements or Area Development Agreements must execute a confidentiality/non-competition agreement in the form of our "Confidentiality, Non-solicitation and Non-Competition Agreement" (see Exhibits "M and N").

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use only those products, services, equipment, programs and other items in the operation of your Franchised Business that we have designated in the Franchise Agreement, the Confidential Operating Manual, or specifically approved in writing unless, as to any one or more items, you are prohibited by local law or regulation or unless we have granted you our advance written approval to exclude some items or service. If you would like to sell any product, service, equipment or program which is not a part of the System, then you must seek and obtain our advance written permission. If we grant our advance written approval, then the product, service, equipment or program in question will become a part of the System (though we will not be required to, but may, authorize it for sale at one or more other Franchised Businesses). We may subsequently revoke our approval. We will own all rights associated with the product, service, equipment or program. You will not be entitled to any compensation in connection with it.

We may add to, delete from or modify the services, products, equipment, programs and other items which you can and must offer or we may modify the System. You must abide by any additions, deletions and modifications. There are no limits on our rights to make these changes.

If at any time any Approved Products or any other components of the System are unavailable at your Franchised Business for any reason, and you can affirmatively prove such unavailability, we will identify alternative products or other components of the System that you may offer at your Franchised Business, only until such time as the Approved Product or other component of the System becomes available. When the Approved Product or other component of the System becomes available, you will be required to offer it at your Franchised Business.

You may only sell System products and services at retail, and you may not engage in the wholesale sale and/or distribution of any System product, service, equipment or other component, or any related product or service.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the Franchise Agreement, Area Development Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	**Section in Franchise Agreement**	Section in Area Development Agreement	**Summary**
a. Length of the franchise term	Paragraph 2.1	Paragraphs 2.1 and 3.3	15 year term for Franchise Agreement; the Area Development Agreement varies depending upon the number of franchises to be opened.
b. Renewal or extension of the term	Paragraphs 3.1 and 3.2	Not Applicable	If you are in good standing and not in default under the Franchise Agreement, you may enter into a successor franchise agreement, provided that: (i), you maintain possession of and agree to remodel and/or expand your Franchised Business, add or replace improvements, equipment and signs and otherwise modify your Franchised Business as we require to bring it into compliance with specifications and standards then applicable for a Franchised Business, or (ii) if you are unable to maintain possession of the Site, or if in our judgment your Franchised Business should be relocated, you secure substitute premises we accept, develop such premises in compliance with specifications and standards then applicable for your Franchised Business and continue to operate your

Provision	Section in Franchise Agreement	Section in Area Development Agreement	Summary
			Franchised Business at the Site until operations are transferred to the substitute premises.
c. Requirements for you to renew or extend	Paragraphs 3.1-3.5	Not Applicable	Maintain Site or secure substitute Site, bring your Franchised Business into compliance with our then current specifications and standards, sign new Franchise Agreement and ancillary agreements, general releases (subject to state law), satisfactory completion of training and refresher programs, and pay us the fee. On renewal, you may be asked to sign a successor contract with materially different terms and conditions than your original Franchise Agreement.
d. Termination by you	None	None	None
e. Termination by us without cause	None	None	None
f. Termination by us with cause	Section 16	Section 9	We can terminate only if you commit one of several violations (subject to State Law, see Exhibit "P").
g. "Cause" defined-defaults which can be cured	Section 16	Section 9	You have 10 days to cure noncompliance with any provision other than Paragraph 16.2 of the Franchise Agreement or the System Standards. For the Area Development Agreement, you have 10 days to cure monetary defaults; 30 days to have vacated an attachment, seizure, writ, warrant or levy on any Franchised Business or any order or appoint a receiver, trustee or liquidator of you or any Franchised Business; and 14 days to cure noncompliance with provision of the Area Development Agreement other than Section 9.

Provision	Section in Franchise Agreement	Section in Area Development Agreement	Summary
h. “Cause” defined – non-curable defaults	Section 16	Section 9	Non curable defaults include material misrepresentation or omission, failure to complete training, failure to comply with management requirements, failure to obtain an approval of the franchise location within the time periods specified for such approvals, failure to enter into a lease or purchase agreement and open the Franchised Business within 120 days of the signing of the Franchise Agreement, abandonment, unapproved transfers, conviction of or a plea of no contest to, a felony or other serious crime, violations of anti-terrorism laws of “blocking” of assets under anti-terrorism laws, dishonest or unethical conduct, unauthorized assignment of the Franchise Agreement or of an ownership interest in you or the Franchised Business, loss of the Site, unauthorized use or disclosure of the Confidential Operating Manual or confidential information, failure to pay taxes, repeated defaults (even if cured), an assignment for the benefit of creditors or written admission of insolvency or inability to pay debts as they become due. Failure to meet the development obligations or pay any fees owed.
i. Your obligations on termination/nonrenewal	Section 17	Section 10	Obligations include payment of outstanding amounts, complete de-identification and return of confidential information (also see (r) below). Ceasing your development activities.
j. Assignment of contract by us	Paragraph 15.1	Paragraph 11.1	No restriction on our right to assign.

Provision	Section in Franchise Agreement	Section in Area Development Agreement	Summary
k. “Transfer” by you-definition	Paragraphs 15.2 and 15.3	Paragraph 11.2	You, your owners or your affiliate(s)’ voluntary or involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in the Area Development Agreement, any Franchise Agreement, you, or the Franchised Business.
l. Our approval of transfer by you	Paragraphs 15.2-15.5	Paragraphs 11.2 and 11.3	We have the right to approve all transfers, even to a Business Entity controlled by you.
m. Conditions for our approval of transfer	Paragraph 15.3	Paragraph 11.4	New franchisee qualifies, you pay us all amounts due, transferee and its managerial employees agree to complete training, transferee agrees to enter a new Franchise Agreement, transfer fee paid, we approve material terms, you subordinate amounts due to you, and you sign other documents we require- including general releases (also see “r” below).
n. Our right of first refusal to acquire your business	Paragraph 15.8	Paragraph 11.5	We can match any offer for an ownership interest in you, your Franchise Agreement or your franchised location provided that we may substitute cash for any form of payment at a discounted amount if an interest rate will be charged on any deferred payments, our credit will be deemed equal to that of any proposed purchaser, we will have no less than 60 days to prepare for closing and we receive all customary representations and warranties, as we specify.
o. Our option to purchase your business	Paragraph 17.5	None	We have the option to buy your Franchise Business, including leasehold rights to the Site, at fair market value after our termination or your termination without cause, of the agreement (but not expiration).

Provision	**Section in Franchise Agreement**	Section in Area Development Agreement	**Summary**
p. Your death or disability	Paragraphs 15.5 and 15.6	Paragraph 11.6	Franchise or an ownership interest in you must be assigned to an approved buyer within 6 months and must be run by a trained manager during the period before the assignment. Assignment is subject to our right of first refusal.
q. Non-competition covenants during the term of the franchise	Paragraph 9.3 & Section 10	Paragraph 7.3	No interest in a Competitive Business, no controlling ownership interest in, or performance of services for, a Competitive Business anywhere.
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 17.4	Paragraph 10.2	No interest in competing business for 2 years at, or within 25 miles of the site or Designated Territory or within 25 miles of any other franchisee's Designated Territory in operation or under construction (same restrictions apply after assignment).
s. Modification of the agreement	Paragraph 19.13	Paragraph 13.13	Franchise Agreement- No modifications except by written agreement, but Confidential Operating Manual and System Standards are subject to change.
t. Integration/merger clause	Paragraph 19.13	Paragraph 13.12	Only the terms of the Franchise Agreement (including the Confidential Operating Manual(s), System Standards, addenda and exhibits) are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Paragraphs 19.9 and 19.10	Paragraphs 13.7 and 13.8	Except for certain claims, all disputes must be mediated and arbitrated at our headquarters (subject to State Law, see "P").
v. Choice of forum	Paragraph 19.8	Paragraph 13.8	Mediation/Arbitration in _Milledgeville, Georgia.
w. Choice of law	Paragraph 19.5	Paragraph 13.5	Georgia law applies (subject to State Law, see Exhibit, "P").

Note: See Exhibit P for state specific and other Addenda and Riders.

The provisions of the Franchise Agreement that provide for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq*.).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our 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 any franchisor-owned locations, if there is a reasonable basis for the information, and if the information is included in this disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing location 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of our affiliate-owned or franchise outlet. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting the Franchise Administration Department at (Address), (Telephone Number), the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
Systemwide Outlet Summary for 2022, 2023 and 2024

Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Company-Owned*	2022	1	1	0
	2023	1	1	0
	2024	1	1	0

Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
Total Outlets	**2022**	1	1	0
	2023	1	1	0
	2024	1	1	0

*Although franchisor does not operate any company owned BarbaraKares locations, our affiliate, Heritagefirst Home Care Inc. dba BarbaraKares In-Home Care Services owns 1 independent BarbaraKares location in the greater Baldwin County, Georgia.

TABLE 2

Transfers of Outlets from Franchisees to New Owners

(Other than the Franchisor) For 2022, 2023 and 2024

State	Year	Number of Transfers
Total	**2022**	0
	2023	0
	2024	0

TABLE 3

Status of Franchised Outlets for 2022, 2023 and 2024

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Total	**2022**	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

TABLE 4

Status of Company – Owned Outlets

For 2022, 2023 and 2024

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Georgia	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Total*	**2022**	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

*Although franchisor does not operate any company owned BarbaraKares locations, our affiliate, Heritagefirst Home Care Inc. dba BarbaraKares In-Home Care Services owns 1 independent BarbaraKares location in the greater Baldwin County.

TABLE 5

Projected Openings as of December 31, 2024

State	Franchise Agreements Signed But Units Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Georgia	0	1	0
Totals	0	1	0

Exhibit "B" lists the name of our current franchisees and the addresses and telephone number of each of their outlets as of date of issuance.

Exhibit "C" lists the name, city and state, and current business telephone number, or if unknown, the last known home telephone number for each franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who did not communicate with us within ten (10) weeks of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers if you leave the franchise system. No franchisees signed any confidentiality clauses during the last three (3) fiscal years.

There are no trademark specific franchisee organizations associated with the franchise system being offered.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit "A" is our Unaudited Financial Statement for the period ending February 28, 2025.

ITEM 22

CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Exhibit "E"	Form of Key-Employee Manager Confidentiality Agreement
Exhibit "G"	Form of Franchise Agreement
	Exhibit "G-Four" - State Amendment to Franchise Agreement
Exhibit "H"	Form of Area Development Agreement
	Exhibit "H-One" State Amendment to Area Development Agreement
Exhibit "I"	Form of Conditional Assignment of Telephone numbers and Listings
Exhibit "J"	Form of Conditional Assignment and Assumption of Leases
Exhibit "K"	Form of Principal Owner's Guaranty
Exhibit "M"	Form of Confidentiality, Non-Solicitation and Non-Competition Agreement for Franchise Agreement –
Exhibit "N"	Form of Confidentiality, Non-Solicitation and Non-Competition Agreement for Area Development Agreement
Exhibit "P"	State Specific and Other Addenda and Riders
Exhibit "Q"	Form of Release

ITEM 23

RECEIPTS

See Exhibit "R" for detachable receipts.

EXHIBIT "A" TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

OF

BARBARAKARES INTERNATIONAL, INC.

Barbarakares International, Inc.

Balance Sheet

As of February 28, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Magnolia - Checking	25,000.00
Total Bank Accounts	**$25,000.00**
Total Current Assets	**$25,000.00**
TOTAL ASSETS	**$25,000.00**
LIABILITIES AND EQUITY	
Total Liabilities	
Equity	
Owner Contribution	25,000.00
Retained Earnings	
Net Income	
Total Equity	**$25,000.00**
TOTAL LIABILITIES AND EQUITY	**$25,000.00**

EXHIBIT "B" TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES & AREA DEVELOPERS

List of Current Franchisees

As of Issuance Date

FRANCHISEE	ADDRESS	PHONE
None		

∗ **Area Developer**

List of Company Locations*

As of Issuance Date

ADDRESS	PHONE
Georgia	
1277 Twin Pine Rd. Milledgeville, GA 31061	(478) 234-0070

∗ **Note:** Although Franchisor does not operate any company owned BarbaraKares locations, our affiliate, Heritagefirst Home Care Inc. dba BarbaraKares In-Home Care Services owns and operates 1 independent BarbaraKares location in the greater Baldwin County area.

EXHIBIT “C” TO THE DISCLOSURE DOCUMENT

FRANCHISEES WHO HAVE LEFT THE SYSTEM

List of Franchisees Who Have Left the System

FRANCHISEE	ADDRESS	PHONE
	None	

List of Franchisees Who Have Not Communicated with Franchisor

Within 10 Weeks of the Issuance Date.

FRANCHISEE	ADDRESS	PHONE
	None	

EXHIBIT “D” TO THE DISCLOSURE DOCUMENT

FORM OF

CONFIDENTIAL OPERATING MANUAL

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BARBARAKARES INTERNATIONAL, INC.

OPERATIONS MANUAL TABLE OF CONTENTS

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<u>Total Pages in Operations Manual: 645</u>

EXHIBIT “E” TO THE DISCLOSURE DOCUMENT

FORM OF

KEY-EMPLOYEE MANAGER CONFIDENTIALITY AGREEMENT

**CONFIDENTIALITY AGREEMENT AND
ANCILLARY COVENANTS NOT TO COMPETE
BARBARAKARES INTERNATIONAL, INC.**

This Agreement is made and entered into _____________, 20__, between BarbaraKares International, Inc. a Georgia corporation ("Franchisor"), and if applicable, ____ ("Franchisee") and ____ ("Employee").

RECITALS

WHEREAS, Franchisor, as a result of the expenditure of time, skill, and money, has developed and is continuing to develop a system (the "System") for the development and operation of franchises under the name and Marks "BarbaraKares In-Home Care Services or "BarbaraKares" (hereinafter "Business" or sometimes "Franchised Business"); and

WHEREAS, Franchisor identifies the System through certain trade names, trademarks, services marks, symbols, logos, emblems and indicia of origin, including, without limitation, the name "BarbaraKares" and other such trade names, trademarks and service marks as Franchisor may develop in the future for the purpose of identifying for the public the sources of services and products marketed under such marks and under the System and representing the System's high standards of quality, appearance and service, all of which may be changed, improved and further developed by Franchisor from time to time (collectively, the "Trade Secrets"); and

WHEREAS, the Trade Secrets provide economic advantages to Franchisor and are not generally known to, and are not readily ascertainable by proper means by Franchisor's competitors who could obtain economic value from knowledge and use of the Trade Secrets; and

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of the Trade Secrets; and

WHEREAS, Franchisor has granted Franchisee a limited right pursuant to a Franchise Agreement to operate a BarbaraKares franchised Business using the System and the Trade Secrets for the period defined in the Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to the Franchisee and other licensed users of the System of restricting use, access and dissemination of the Trade Secrets; and

WHEREAS, it will be necessary for certain employees of Franchisee to have access to and use some or all of the Trade Secrets in the management and operation of Franchisee's Business using the System; and

WHEREAS, Franchisee has agreed to obtain from those employees written agreements protecting the Trade Secrets and System against unfair competition; and

WHEREAS, Employee wishes to remain, or wishes to become, an employee of Franchisee; and

WHEREAS, Employee wishes and needs to receive and use the Trade Secrets in the course of his/her employment to effectively perform his/her services for Franchisee; and

WHEREAS, Employee acknowledges that receipt of and the right to use the Trade Secrets in the course of his/her employment to effectively perform his/her services for Franchisee; and

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

Confidentiality Agreement

1. Franchisor and/or Franchisee shall disclose to Employee some or all of the Trade Secrets relating to the System.

2. Employee shall receive the Trade Secrets in confidence, maintain them in confidence and use them only in the course of his/her employment by Franchisee and only in connection with the management and/or operation by Franchisee of the Franchised Business using the System for so long as Franchisee is licensed by Franchisor to use the System.

3. Employee shall not at any time make copies of any documents or compilations containing some or all the Trade Secrets without Franchisor's express written permission.

4. Employee shall not at any time disclose or permit the disclosure of the Trade Secrets except to other employees of Franchisee and then only to the limited extent necessary to train or assist other employees of Franchisee in the management or operation of a Franchised Business using the System.

5. Any and all information, know-how, knowledge, techniques and materials made available by Franchisor or by Franchisee under the Franchise Agreement, including without limitation, specifications, guidelines, procedures, computer software, forms and compilations of data all of which shall be deemed confidential Trade Secrets for the purposes of this Agreement.

6. Employee shall surrender the Confidential Operations Manual and such other manuals and written materials as Franchisor shall have developed ("Manual") described in the Franchise Agreement and any other written material containing some or all of the Trade Secrets to the Franchisee or Franchisor upon request, or upon termination of employment by Franchisee, or upon conclusion of the use for which the Manual or other information or material may have been furnished to the Employee.

7. Employee shall not, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the Trade Secrets and the System.

8. The Manual is loaned by Franchisor to Franchisee for limited purposes only and remains the property of Franchisor and may not be reproduced, in whole or in part, without the Franchisor's written consent.

Covenants Not to Compete:

1. To protect the goodwill and unique qualities of the System and confidentiality and value of the Trade Secrets, and in consideration for the disclosure to Employee, the Employee further undertakes and covenants that while he/she is employed by Franchisee, he/she will not:

a. Divert or attempt to divert, directly or indirectly, any business, business opportunity or customer or any Franchisor business to any competitor.

b. Own, maintain, engage in or have any interest in any business (other than the Franchised Business) which is the same as or similar to the Franchised Business including, but not limited to, any business incorporating technology with hands-on personal non-medical care, in-home assistance, and companionship care or selling any service or product or component comprising any part of the BarbaraKares System. The BarbaraKares concept further incorporates home care including but not limited to: personal care, dementia care, post hospital care, hygiene assistance and transportation.

2. In further consideration for the disclosure to Employee of the Trade Secrets and to protect the uniqueness of the System, Employee agrees that for two (2) years following the earlier of the expiration, termination or transfer of all Franchisee's interest in the Franchise Agreement or the termination of his/her relationship with Franchisee, the Employee will not, without prior written consent of Franchisor:

a. Divert or attempt to divert, directly or indirectly, any business, business opportunity or customer of any Franchisor business to any competitor.

b. Own, maintain, engage in or have any interest in any business which is the same or similar to the Franchised Business including, but not limited to, any business incorporating the technology with hands-on personal non-medical care, in-home assistance, and companionship care, or offering or selling any service or product or component comprising any part of the BarbaraKares System. The BarbaraKares concept further incorporates home care including but not limited to: personal care, dementia care, post hospital care, hygiene assistance and transportation or that offers or sells any service or product or component thereof which comprises part of the BarbaraKares System. or any other item offered by the Franchised Business., which is located within twenty-five (25) miles of the Franchised Business, or provides such services to customers within twenty-five (25) miles of the perimeter of any Protected Territory of any franchisee operating under the System.

3. Divulge any trade secrets or proprietary information of the Franchisor or Franchised Business.

Miscellaneous

1. Franchisee undertakes to use his/her/its best efforts to ensure that Employee acts as required by this Agreement.

2. Employee agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions hereof, Franchisor shall be entitled to enforce this Agreement and shall be entitled, in addition to any other remedies which are available to it at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

3. Employee agrees to pay all expenses (including court costs and reasonable attorney fees) incurred by Franchisor or the Franchisee in enforcing this Agreement.

4. Any failure by Franchisor or the Franchisee to object to or take action with respect to any breach of this Agreement by Employee shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Employee.

5. **EXCEPT AS STATED BELOW, EMPLOYEE HEREBY IRREVOCABLY SUBMITS HIMSELF/HERSELF TO THE JURISDICTION OF THE STATE COURTS OF**

MILLEDGEVILLE, GEORGIA AND THE FEDERAL DISTRICT COURT FOR THE DISTRICT OF GEORGIA IN WHICH MILLEDGEVILLE, GEORGIA IS LOCATED. EMPLOYEE HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. EMPLOYEE HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON HIM/HER IN ANY LEGAL PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY GEORGIA OR FEDERAL LAW. EMPLOYEE FURTHER AGREES THAT VENUE FOR ANY LEGAL OR EQUITABLE PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE MILLEDGEVILLE, GEORGIA; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION FOR INJUNCTIVE OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY STATE OR FEDERAL DISTRICT COURT WHICH HAS JURISDICTION. WITH RESPECT TO ALL CLAIMS, CONTROVERSIES, DISPUTES OR ACTIONS, THIS AGREEMENT SHALL BE INTERPRETED AND CONSTRUCTED UNDER GEORGIA LAW.

6. The parties agree that 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 Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Employee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separated, stated in, and made a part of this Agreement.

7. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

8. All notices and demands required to be given hereunder shall be in writing and shall be sent by personal delivery, expedited delivery service, certified or registered mail, return receipt requested, first-class postage pre-paid or commercial airborne carrier service for next day delivery to the respective parties.

If directed to Franchisor, the notice shall be addressed to:

BarbaraKares International, Inc.

560 West Martin Luther King Dr.

Milledgeville, GA 31061

If directed to the Franchisee, the notice shall be addressed to:

____

____

____

If directed to the Employee, the notice shall be addressed to:

____

____

____

Any notices sent by personal delivery shall be deemed given upon receipt. Any notices given by commercial airborne carrier service for next day delivery shall be deemed delivered two (2) business days after being placed in the hands of the commercial airborne carrier service. Any notices sent by certified or registered mail shall be deemed given three (3) business days after the time of mailing. Any change in the above addresses shall be affected by giving fifteen (15) days written notice of such change to the other party. Business day shall be defined as any day other than Saturday, Sunday or any recognized U.S. national holiday.

9. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its successors, assigns and transferees. The respective obligations of the Franchisee and the Employee hereunder may not be assigned by the Franchisee or Employee, as applicable, without the prior written consent of Franchisor.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by signatures below.

FRANCHISOR:
BarbaraKares International, Inc.

By: ________________________________

Name: ______________________________

Title: ______________________________

FRANCHISEE:

____

____

____

____

EMPLOYEE:

____________________________________ **(**Legal Seal)
Signature

Name: ______________________________

EXHIBIT "F" TO THE DISCLOSURE DOCUMENT

LIST OF STATE AGENCIES/AGENTS

FOR SERVICE OF PROCESS

State Agencies/Agents for Service of Process		
STATE	**ADDRESS**	**PHONE**
California - Los Angeles Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344	213-576-7500
California – Sacramento Department of Financial Protection and Innovation	2101 Arena Boulevard Sacramento, CA 95814-4017	916-445-7205
California - San Diego Department of Financial Protection and Innovation	1455 Frazee Road, Suite 315 San Diego, CA 92108	619-525-4233
California - San Francisco Department of Financial Protection and Innovation	One Sansome Street, Suite 600 San Francisco, CA 94104-4428	415-972-8565
Hawaii Commissioner of Securities	335 Merchant Street, Room 203 Honolulu, HI 96813-2921	808-586-2722
Illinois Illinois Attorney General	500 South Second Street Springfield, IL 62706	217-782-4465
Indiana Secretary of State	200 West Washington Street, Rm 201 Indianapolis, IN 46204	317-232-6681
Maryland Administrator: Office of the Attorney General Securities Division Agent for Service of Process Maryland Securities Commissioner	200 St. Paul Place, 20th Floor Baltimore, MD 21202-2020 200 St. Paul Place Baltimore, MD 21202-2020	410-576-6360
Michigan Administrator Michigan Department of Attorney General Agent for Service of Process Michigan Department of Commerce, Corporations, Securities & Commercial Licensing Bureau	G. Mennen Williams Building 525 West Ottawa Street Lansing, MI 48909 2407 N. Grand River Ave. Lansing, MI 48906	517-373-7117
Minnesota Minnesota Commissioner of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198	651-539-1600
New York Administrator: New York State Department of Law Investor Protection Bureau Agent for Service of Process Secretary of State	28 Liberty Street, 21st Floor New York, NY 10005 99 Washington Avenue Albany, NY 1223	212-416-8222 212-416-8211
North Dakota North Dakota Securities Commissioner	600 East Boulevard Avenue, State Capital, 5th Floor Bismarck, ND 58505	701-328-2910
Rhode Island Department of Business Regulation	1511 Pontiac Avenue Cranston, RI 02920	401-462-9587
South Dakota Director of Division of Securities	124 S. Euclid Ave., Suite 104 Pierre, SD 57501-3185	605-773-4823
Virginia Clerk of the State Corporation Commission	1300 E. Main Street, 1st Floor Richmond, VA 23219-3630	804-371-9051
Washington Administrator Dept. of Financial Institutions Securities Division Agent for Service of Process Director of Dept. of Financial Institutions	P.O. Box 9033 Olympia, WA 98501 150 Israel Road, SW Tumwater, WA 98501	360-902-8760
Wisconsin	345 W. Washington Ave., 4th Floor Madison, WI 53703	608-266-8557

EXHIBIT "G" TO THE DISCLOSURE DOCUMENT

FORM OF

FRANCHISE AGREEMENT

BARBARAKARES INTERNATIONAL, INC.

FRANCHISE AGREEMENT

BARBARAKARES INTERNATIONAL, INC.

FRANCHISE AGREEMENT

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EXHIBITS

BARBARAKARES INTERNATIONAL, INC.

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is effective as of the _____ day of _______________, 20___ (the "Agreement Date"). The parties to this Agreement are **BarbaraKares International, Inc.,** a Georgia corporation, with its principal business address at 560 West Martin Luther King Dr., Milledgeville, GA 31061 (referred to in this Agreement as "Franchisor," "we," "us" or "our"), and ____, whose principal business address is ____ (referred to in this Agreement as "Franchisee," "you" or "your").

1. Introduction.

1.1 BarbaraKares Franchise. We and our affiliate have expended considerable time and effort in developing the "BarbaraKares In-Home Care Services" franchise or sometimes, "BarbaraKares franchise," or "BarbaraKares Franchised Business," featuring among other services and items, the operation of one BarbaraKares location, incorporating technology with hands-on personal non-medical care for the operation of an in-home care agency that assist families by providing caregivers in the comfort of their homes. Services include specialized resources, guidance, and care tailored to meet the needs of families, providing their loved ones with personal non-medical care. We operate under the Marks (defined below) and under distinctive business formats, methods, procedures, designs, layouts, signs, equipment, trade dress, standards and specifications, all of which we may improve, further develop or otherwise modify from time to time (collectively, the "System").

We use, promote and license certain trademarks, services marks and other commercial symbols in the operation of our BarbaraKares locations, including the trade name, trademarks and service marks "BarbaraKares In-Home Care Services" and other associated designs, artwork and trade dress, which have gained and continue to gain public acceptance and goodwill, and we may create, use and license additional trademarks, service marks and commercial symbols in conjunction with the operation of a BarbaraKares franchise (collectively, the "Marks"). We grant to persons who meet our qualifications and are willing to undertake the investment and effort, a franchise to own and operate one franchised BarbaraKares In-Home Care Services location offering the products and services we authorize and approve and utilizing the System. You have applied for a franchise to own and operate one BarbaraKares location.

1.2 Confirmations. You confirm and agree that:

a. you understand and accept the terms, conditions and covenants contained in this Agreement as being necessary to maintain our high standards of quality and service and the uniformity of those standards for each franchised BarbaraKares location and to protect and preserve the goodwill of the Marks;

b. you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by a franchised BarbaraKares location may evolve and change over time;

c. in all of their dealings with you, our officers, directors, employees and agents act only in a representative, and not in an individual, capacity. All business dealings between you and such person as a result of this Agreement are solely between you and us; and

d. we have provided to you a copy of our Franchise Disclosure Document at least 14 calendar days prior to the execution of the Franchise Agreement or our receipt of any consideration from you.

1.3 Representations. You represent to us, as an inducement to our entry into this Agreement, that all statements you have made and all materials you have submitted to us in connection with your purchase of the franchise are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise. We have approved your request to purchase a franchise partially in reliance on all of your representations.

1.4 Business Organization and Ownership Information. If you have obtained our prior approval and Franchisee is a corporation, partnership, limited liability company or other form of legal entity, Franchisee and the owners agree, represent, and warrant and covenant that:

a. you have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

b. your organizational or governing documents will recite that the issuance and transfer of any ownership interests by you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

c. Franchisee shall provide to Franchisor prior to the execution of this Agreement, true and correct copies, as applicable, of Franchisee's articles of incorporation, bylaws, partnership agreement, articles of organization and limited liability company operating agreement, or limited liability company agreement and other governing documents and amendments thereto, as well as resolutions of the Board of Directors, partners or members authorizing entry into and performance of this Agreement. During the term of this Agreement, Franchisee shall promptly provide to Franchisor true and correct copies of any amendments or other changes to such governing documents. No such documents shall contain any provision that is contrary to or inconsistent with any provision of this Agreement;

d. you and your owners agree to revise the Principal Owner's Statement as may be necessary to reflect any ownership changes and to furnish such other information about your organization or formation as we may request (no ownership changes may be made without our approval, which shall not be unreasonably withheld);

e. a Principal Owner of the Business Entity (with ownership of at least 10% of its voting securities) must: (i) have management responsibility and authority over the franchised BarbaraKares location on a day-to-day basis; (ii) oversee the franchised BarbaraKares In-Home Care Services location's operations; (iii) be bound by our then-current form of Confidentiality Agreement (or other form satisfactory to us); and (iv) satisfactorily complete our initial training program and any other training programs we request during the term; and

f. each of your owners during the term of this Agreement will sign and deliver to us our standard form of Principal Owner's Guaranty undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between you and us. A copy of our current form of Principal Owner's Guaranty is attached to the Franchise Disclosure Document. The spouse of each of your owners will execute a spousal consent in the form attached hereto as Exhibit G-Three.

2. Grant and Term.

2.1 Term. The term of the Franchise and this Agreement begins on the Agreement Date and expires 15 years from the Agreement Date. This Agreement may be terminated before it expires in accordance with its terms.

2.2 Grant. Subject to the terms of and upon the conditions contained in this Agreement, we grant you a franchise (the "Franchise") to: (a) operate one BarbaraKares In-Home Care Services franchise in the Territory set forth and described in Exhibit G-One attached hereto and made a part hereof, and in no other territory (temporary or permanent); (b) use the Marks solely in connection with operating the franchised business; and (c) use the System in its operation. Except as set forth in Paragraph 2.4 and its sub-paragraphs below, as long as you are in compliance with this Agreement, we will not grant a franchise to anyone else to operate, or ourselves operate, a franchised business within the Protected Territory.

2.3 Performance. You agree that you will at all times faithfully, honestly and diligently perform your obligations, continuously exert your best efforts to promote and enhance the franchised business and not engage in any other business or activity that conflicts with your obligations to operate the franchised business in compliance with this Agreement. You may not operate the franchised business from any location other than the Protected Territory without our prior written consent. At all times, either you or one of your Principal Owners must meet our qualifications for management responsibility and authority over the operations of the franchised business. In addition, at all times the franchised business must be managed by an operations/general manager who has satisfactorily completed our Initial Training program.

2.4 Rights We Reserve. Notwithstanding any of the foregoing, we (and our affiliate) retain the right in our sole discretion to:

a. establish, and grant to other franchisees the right to establish, franchises anywhere outside the Protected Territory, on such terms and conditions as we deem appropriate (even immediately outside the border of the Protected Territory), but not within the Protected Territory set forth in this Agreement and you continue to operate under it;

b. operate, and grant franchises to others to operate, businesses, whether inside or outside the Protected Territory, specializing in the sale of products or provisions of services, other than a Competitive Business or a franchise business, using certain of the Marks and pursuant to such terms and conditions as we deem appropriate;

c. operate, and grant franchises to others to operate businesses or provide other services, whether inside or outside the Protected Territory, that do not use any of the Marks;

d. you agree that we have the right, now, or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "BarbaraKares In-Home Care Services," BarbaraKares locations operating under the Marks or any proprietary marks or any of their marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within the "Protected Territory" or proximate thereto, or proximate to any Franchisee location); and

We will have the right to assign this agreement, and all of its rights and privileges under this agreement, to any person, firm, corporation or other entity.

You agree and affirm that we may sell ourself, our assets, Marks or other proprietary marks and/or our System to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or other entities, or be acquired by another corporation or other entity, and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of Franchisor's name(s), Marks, proprietary marks (or any variation thereof) and system and/or the loss of association with or identification of "BarbaraKares In-Home Care Services" or BarbaraKares as Franchisor under this Agreement. You specifically release any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the same or similar business or any business which we now conduct or to offer to sell any items, products or services to you.

3. Successor Terms.

3.1 Your Right to Acquire a Successor Franchise. This Agreement expires 15 years from the Agreement Date. Upon expiration, if you (and each of your owners) have substantially complied with this Agreement during its term, and provided that:

a. you maintain possession of and agree to remodel and/or expand the Franchised Business, add or make replacements of or to, any improvements, equipment, computers, software, System components, and otherwise modify the Franchised Business as we require to bring it into compliance with specifications and standards then applicable for our franchises; or

b. if you are unable to maintain possession of the office site, or if in our judgment the franchised business should be relocated, you secure substitute premises accepted by us, you develop such premises in compliance with specifications and standards then applicable for franchised businesses and continue to operate the franchised business at the Site until operations are transferred to the substitute premises, then, subject to the terms and conditions set forth in this Section 3, you will have the privilege to apply for successor franchise agreements to operate the then existing BarbaraKares location as a franchised business (a "Successor Franchise"), for additional fifteen (15) year periods for each successor franchise agreement, on the terms and conditions of the franchise agreement we are then using in granting Successor Barbarakares Franchises for franchised BarbaraKares locations, which may contain materially different terms and conditions than this Agreement.

3.2 Grant of a Successor Franchise.

a. Your Election: You agree to give us written notice of your election to acquire a Successor Franchise during the first 90 days of the 14th year of this Agreement or during the first 90 days of the 10th year of the term of any 10-year Successor Franchise. We agree to give you written notice ("Response Notice"), not more than 90 days after we receive your notice, of our decision:

(i) to grant you a Successor Franchise; or

(ii) to grant you a Successor Franchise on the condition that deficiencies of the franchised business, or in your operation of the franchised business, are corrected; or

(iii) not grant you a Successor Franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term.

b. Response Notice: If applicable, our Response Notice will:

(i) describe the remodeling and/or expansion of the franchised business and other improvements or modifications required to bring the franchised business location into compliance with the applicable specifications and standards for franchised businesses; and

(ii) state the actions you have to take to correct operating deficiencies and the time period in which such deficiencies must be corrected.

If we elect not to grant a Successor Franchise, the Response Notice will describe the reasons for our decision. Your right to acquire a Successor Franchise is subject to your continued compliance with all of your terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in the Response Notice.

c. Deficiencies: If our Notice states that you must cure certain deficiencies of the franchised business or its operation as a condition to the grant of a Successor Franchise, we will give you written notice of a decision not to grant a Successor Franchise unless you cure such deficiencies, not less than 90 days prior to the expiration of this Agreement. However, we will not be required to give you such notice if we decide not to grant you a Successor Franchise due to your breach of this Agreement during the 90-day period prior to its expiration.

d. Decision not to Grant: If we decide not to grant a Successor Franchise then in that event, we will provide notice at least 90 days prior to the expiration of this Agreement, if such notice is required. We may extend the term of this Agreement for such period of time as is necessary in order to provide you with either reasonable time to correct deficiencies or 90 days' notice of our refusal to grant a Successor Franchise.

3.3 Agreements/Releases. If you satisfy all of the other conditions to the grant of a Successor Franchise, you and your owners agree to execute the form of franchise agreement and any ancillary agreements we are then customarily using in connection with the grant of Successor Franchises. You and your owners further agree to execute general releases, in the form attached to the Franchise Disclosure Document, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. Failure by you or your owners to sign such agreements and releases and deliver them to us for acceptance and execution within 60 days after their delivery to you will be deemed an election not to acquire a Successor Franchise.

3.4 Training and Refresher Programs. Our grant of a Successor Franchise is also conditioned on the satisfactory completion by you (or an Operating Partner and Operations Manager of yours approved by us) of any new training and refresher programs as we may reasonably require. You are responsible for travel, living and compensation costs of attendees.

3.5 Fees and Expenses. Our grant of a Successor Franchise is contingent on your payment to us of a Successor Franchise Fee of $5,000.

3.6 Subsequent Successor Franchises. The fees and other conditions for any later granting of subsequent Successor Franchises will be governed by the Successor Franchise agreement (then in existence).

4. Protected Territory, Site Selection and Development

4.1 Protected Territory.

a. Franchisor may in its sole discretion, grant you a franchise to operate a Franchised Business within the Protected Territory described in Exhibit "G-One".

b. You may not perform any business, nor services, or actively market for customers geographically located outside your Protected Territory described in Exhibit "G-Two". If you request, and we approve your request in writing, to service customers in territories outside your Protected Territory described in Exhibit "G- Two", and subsequently withdraw our approval or award a Franchise to another franchisee whose Protected Territory includes customers that you have been servicing, all information regarding these customers is to be immediately transferred to us. In addition, you will immediately discontinue any and all solicitation of customers in said geographical area and will refer any request for service outside your Protected Territory to the franchisee who has acquired the Franchise for the geographical area. You will receive no compensation for the cessation of service or delivery of information we require from you and your failure to comply with our written notice requiring cessation and customer transfer is a default under this Franchise Agreement and may result in the termination of the Franchise Agreement.

4.2 Lease.

4.2.1 Lease of Site:

You agree that if you are entering into a lease you must enter into an acceptable lease agreement for the approved site and be open to the public within 120 days from the execution of this Franchise Agreement. In order for us to accept the lease, you agree to deliver copies of the proposed lease agreement and related documents to us prior to signing them. You agree not to sign any lease agreement or related documents (or any renewal of it) unless we have previously approved them. Our approval, which will not be unreasonably withheld, will be limited to ensuring that the lease is consistent with this Agreement. If we approve the lease, you agree to deliver a copy of the signed lease to us within 15 days after its execution along with the Lease Assignment.

4.2.2 Lease Assignment:

When entering into such a lease, you and the lessor must sign our then-current form of Conditional Assignment and Assumption of Lease Agreement (the "Lease Assignment"). You will give the lessor our form of the Lease Assignment when you begin discussions with the prospective lessor. You agree not to sign any lease or renewal of a lease unless you have also obtained the Lease Assignment signed by the lessor.

4.2.3 Mandatory Lease Terms:

We may require that the lease or any renewal contain certain provisions, including the following:

(i) a provision which expressly permits the lessor of the Site to provide us with all revenue and other information lessor may have related to the operation of your Franchised Business as we may request;

(ii) a provision which requires the lessor to contemporaneously provide us with copies of any written notice of default under the lease sent to you and which grants to us, at our option, the right (but not the obligation) to cure any default under the lease (should you fail to do so) within 15 days after the expiration of the period in which you may cure the default;

(iii) a provision which evidences your right to display the Marks in accordance with the specifications required by the, Confidential Operating Manual subject only to the provisions of applicable law;

(iv) a provision which requires that any lender or other person will not disturb your possession of the Site so long as the lease term continues and you are not in default (along with such documents as are necessary to ensure that such lenders and other persons are bound);

(v) a provision which expressly states that any default under the lease which is not cured within any applicable cure period also constitutes grounds for termination of this Agreement;

(vi) a lease term which is at least equal to the initial term of this Agreement, either through an initial term of that length or right, at your option, to renew the lease for the full term of this Agreement; and

(vii) the premises must be operated as a Franchised Business.

4.2.4 No Warranty:

You acknowledge that our approval of the lease for the Site does not constitute a guarantee or warranty, express or implied, of the successful operation or profitability of a franchised business operated at the Site. Such approval indicates only that we believe that the Site and the terms of the lease fall within the acceptable criteria we have established as of the time of our approval. You further acknowledge that we have advised you to have an attorney review and evaluate the lease.

4.3 Ownership and Financing. Instead of leasing a Site, you may propose to purchase, construct, own and operate a Franchised Business on real property owned by you or through an affiliate. You must meet certain conditions if you or an affiliate own a Site or at any time prior to acquisition, or subsequently, you or your affiliates propose to obtain any financing with respect to the Site or for your Franchised Business or for any Operating Assets in which any of such items are pledged as collateral securing your performance. The form of any purchase contract with the seller of a Site and any related documents, and the form of any loan agreement with or mortgage in favor of any lender and any related documents, must be approved by us before you sign them. Our consent to them may be conditioned upon the inclusion of various terms and conditions, including the following:

a. a provision which requires any lender or mortgagee concurrently to provide us with a copy of any written notice of deficiency or default under the terms of the loan or mortgage sent to you or your affiliates or the purchaser;

b. a provision granting us, at our option, the right (but not the obligation) to cure any deficiency or default under the loan or mortgage (should you fail to do so) within 15 days after the expiration of a period in which you may cure such default or deficiency; and

c. a provision which expressly states that any default under the loan or mortgage, if not cured within the applicable time period, constitutes grounds for termination of this Agreement and any default under this Agreement, if not cured within the applicable time period, also constitutes a default under the loan or mortgage.

5. Franchise Business Development And Operating Assets.

5.1 Development. You are responsible for developing your franchised BarbaraKares location. You are obligated to have prepared all required construction plans and specifications to suit the shape and dimensions of the Site and to ensure that such plans and specifications comply with applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. You agree to submit construction plans and specifications to us for approval before construction of the franchised BarbaraKares location is commenced and, at our request, submit all revised or "as built" plans/specifications during the course of such construction. We may require that an architect designated by us oversee the finished plans before construction begins. At your request, to the extent we deem necessary, we will assist you in developing the franchised BarbaraKares location by recommending contractors and architects and otherwise furnishing information to assist you in developing the franchised BarbaraKares location in accordance with our specifications.

5.2 Development Expenses. You agree, at your own expense, to do the following with respect to developing the franchised BarbaraKares location at the Site:

a. have complete and detailed construction drawings approved by an architect (both the drawings and your architect are subject to our approval);

b. secure all financing required to develop and operate the franchised BarbaraKares location;

c. obtain all building, utility, sign, health, sanitation, business and other permits and licenses required to construct and operate the franchised BarbaraKares location and pay all assessed impact fees;

d. construct all required improvements to the Site and decorate the franchised BarbaraKares location in compliance with the plans, specifications and schedule we have approved;

e. purchase or lease and install all Operating Assets required for the franchised BarbaraKares location; and

f. purchase authorized and approved products, materials and supplies.

5.3 Décor. You agree that all décor of your franchised BarbaraKares location must be previously approved by us and must comply with our standards as described in the Confidential Operating Manual(s), which may be periodically revised. Your failure to maintain the franchised BarbaraKares location décor in compliance with our System and the standards described in the Confidential Operating Manual(s) constitutes a material breach of this Agreement.

5.4 Operating Assets and Franchised Business Materials. You agree to acquire all services, supplies, items and products for use in connection with your franchised BarbaraKares location (collectively "Materials") and all fixtures, furnishings, equipment, signs and electronic or computerized devices and services (including computers, POS, e-mail, internet services, hardware and software) (the "Operating Assets") from suppliers we have previously approved. We will only approve suppliers whose Materials and Operating Assets meet the quality standards that we establish from time to time. You agree to only place or display at the Site (interior and exterior) such signs, emblems, lettering, logos and display materials that we periodically approve. We may require that you purchase or lease Operating Assets and Materials through any affiliate supplier and/or any form of a "business to business," e-commerce, Internet supply network that we may designate, establish or participate in from time to time. You also agree that we or our agents, at any reasonable time, may remove any Operating Asset from the franchised BarbaraKares location, without compensation to you, if such Operating Assets are deemed by us or our agents to not be approved for use at the franchised BarbaraKares location or be deemed to be a public health and/or safety risk. In the event such Operating Asset is removed, we may replace such Operating Asset or make arrangements to have such Operating Asset Serviced, repaired and/or cleaned at your expense. Any expense we incur will be due and payable by you to us upon demand.

5.5 Changes to Approved Suppliers. If you want to propose a new supplier of Materials or Operating Assets, you agree to submit to us, on our "Supplier Approval Form" and pay our cost which is determined in our sole discretion, for review of your proposed supplier, sufficient written information about the proposed new supplier to enable us to approve or reject either the supplier or the particular item and to be responsible for any expenses incurred in the process by us or you. We will have 30 days from receipt of the information to approve or reject the proposed new supplier or items. We may consider in providing such approval not just the quality standards of the products or services, but their delivery capabilities, financing terms and ability to service our franchise system as a whole. We may terminate or withhold approval of any Materials or Operating Assets, or any supplier of such item, that do not meet our quality standards by giving you written notice. If we do so, you agree to immediately stop purchasing from such supplier or using such Materials or Operating Assets in your franchised BarbaraKares location until we notify you that such supplier or such Materials or Operating Assets meet our quality standards. At our request, you agree to submit to us sufficient information about a proposed supplier and samples of the proposed BarbaraKares Materials or Operating Assets for our examination so that we can determine whether they meet our quality standards. We also have the right to require our representatives to be permitted to inspect the proposed supplier's facilities at your expense. We reserve the right, at our option, to re-inspect or re-test from time to time the facilities and products, Operating Assets or other items of any approved supplier and to revoke approval upon a supplier's failure to meet any of our then-current criteria. Nothing hereinabove shall be construed to require us to approve any particular supplier. Your failure to comply with the provisions of Section 5.5 shall be deemed a material breach under this Agreement. Paragraph 5.5 shall be deemed a material breach under this Agreement. We have and reserve the right to receive compensation or other consideration from approved suppliers and service providers based on our or our franchisees' purchases from these suppliers and on our designating the supplier as an approved supplier even if these suppliers include these fees in their prices to us or our franchisees.

5.6 Opening. You agree not to open the franchised BarbaraKares location for business until:

a. we approve the franchised BarbaraKares location as developed in accordance with our specifications and standards;

b. pre-opening training of you and your personnel has been completed to our satisfaction including operator certification at our approved training site;

c. the Franchise Fee and all other amounts then due to us have been paid;

d. we have been furnished with copies of all insurance policies required by this Agreement, or such other evidence of insurance coverage and payment of premiums as we request or accept;

e. we have received signed counterparts of all required documents pertaining to your lease or acquisition of the Site;

f. if we, in our sole discretion approve you to be a business entity, we have received your Articles of Incorporation, Partnership Agreements and/or other organizational documents; and

g. any pre-opening marketing requirements have been completed to our satisfaction.

Your BarbaraKares franchise location, approved by us, must be open for business on or before 120 days after the date of this Franchise Agreement. You also agree that time is of the essence and except for unavoidable delay or failure to perform [Force Majeure] you must complete all Site Selection, Development and Opening obligations within 120 days from the date of this Franchise Agreement.

6. Fees.

6.1 Franchise Fee. In consideration of our granting you a BarbaraKares franchise, you agree to pay us a non refundable and fully earned Initial Franchise Fee of Twenty-Eight Thousand Dollars ($28,000), payable on the Agreement Date. If you enter into an Area Development Agreement, instead of paying this Initial Franchise Fee you will pay us the amount of the Area Development Fee required to be paid under that agreement determined in accordance with the number of franchised BarbaraKares locations you agree to develop and you will execute a separate franchise agreement for each of the remaining franchises as they are developed by you.

6.2 Continuing License Fee. You must pay a weekly Continuing License Fee of 8% of your BarbaraKares franchise weekly Gross Revenue. We must receive the Continuing License Fee on or before the Payment Day (defined in 6.3 below) of each week for the immediately preceding week.

6.3 Electronic Funds Transfer and Payment Procedure. We require you to pay all payments of the Continuing License Fee or any other amounts due us under this Agreement to us by electronic funds transfer. We will designate the day of each week (the "Payment Day") for the Continuing License Fee payment or payment of other amounts due us under this Agreement. We may designate different Payment Days for different amounts due us under this Agreement (e.g. Continuing License Fee, Marketing and Technology Fund fee, etc.). You agree to comply with the procedures we specify in our Confidential Operating Manual(s) and perform such acts and sign and deliver such documents as may be necessary to accomplish payment by this method. You will give us authorization, in a form that we designate, to initiate debit entries or credit correction entries to the franchised BarbaraKares location's bank operating account (the "Account") for payments of Continuing License Fees, the Marketing and Technology Fund fee and other amounts due under this Agreement, including any applicable interest charges. You will make the funds available in the Account for withdrawal by electronic transfer no later than the Payment Day. The amount actually transferred from the Account to pay Continuing License Fees, the Marketing and Technology Fund fees, will be based on your franchised BarbaraKares location's Gross Revenue reported to us. If we determine at any time that you have under-reported Gross Revenue or underpaid Continuing License Fees or other amounts due to us, we will be authorized to immediately initiate a transfer from the Account in the appropriate amount in accordance with the foregoing procedures, including applicable interest and late charges. Any overpayment will be credited to the Account through a credit, effective as of the first reporting date after you and we determine that such credit is due. A fee of one hundred dollars ($100) per occurrence will be due to us for each insufficient electronic funds transfer.

6.4 Definition of "Gross Revenue". As used in this Agreement, the term "Gross Revenue" means all revenue you derive from operating your BarbaraKares franchise, including, but not limited to, all amounts you receive at or away from the Site from any activities or services whatsoever including any that are in any way associated with the Marks, and whether from cash, check, barter, credit or debit card or credit transactions, but excluding (1) all federal, state or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority and (2) customer refunds, adjustments, credits and allowances actually made by your BarbaraKares franchised location. Gross Revenue also includes the aggregate of revenues from the sale of goods, wares, services and products from all sources in connection with the franchise business whether from delivery service sales, retail, special functions, etc. and sales of all products and services whether associated with the Marks or not.

6.5 Interest on Late Payments. All amounts which you owe us will bear interest after their due date at the annual rate of 18% or the highest contract rate of interest permitted by law, whichever is less. You acknowledge that we do not agree to accept any payments after they are due nor commit to extend credit to, or otherwise finance your operation of, the BarbaraKares franchised location. Your failure to pay all amounts when due constitutes grounds for termination of this Agreement, as provided in Section 16 of this Agreement.

6.6 Late Payment Penalties. All Continuing License Fees, the Marketing and Technology Fund fee, amounts due for purchases by you from us, and any interest accrued thereon, and any other amounts which you owe us, or our affiliate, are subject to a late payment fee of 1.5% per month of the amount due, but not to exceed the maximum allowed by law. The late payment fee is due immediately on any delinquent payments. The provision in this Agreement concerning late payment fees survives termination or expiration of this Agreement and does not mean that we accept or condone late payments, nor does it indicate that we are willing to extend credit to, or otherwise finance the operation of, your franchised BarbaraKares location.

6.7 Application of Payments. Notwithstanding any designation you might make, we have sole discretion to apply any of your payments to any of your past due indebtedness to us. You acknowledge and agree that we have the right to set off any amounts you or your owners owe us against any amounts we might owe you or your owners.

6.8 Payment Offsets. We may setoff from any amounts that we may owe you any amount that you owe to us for any reason whatsoever, including without limitation, Continuing License Fees, the Marketing and Technology Fund fee, late payment penalties and late payment interest, amounts owed to us for purchases or services or for any other reason. Thus, payments that we make to you may be reduced, in our discretion, by amounts that you owe to us from time to time. In particular, we may retain any amounts that we have received for your account as a credit and payment against any amounts that you may owe to us at any time. We will notify you monthly if we do so.

6.9 Discontinuance of Service. If you do not pay amounts due to us timely under this Agreement, we may discontinue any services to you, without limiting any of our other rights in this Agreement.

7. Training and Assistance.

7.1 Training. Before the BarbaraKares franchised location opens, we or our designee will furnish the initial 32 hours Franchisee Management Certification training program ("Initial Training") to you and/or your Operating Manager (or, if you are a Business Entity, your primary operating manager (the "Operating Manager"). The Operating Manager of the BarbaraKares franchise must successfully and fully complete the Initial Training and pass the training certificate process (the "Training Certificate") conducted at our affiliate locations in Georgia. Although we, or our designee, will furnish the Initial Training to the Operating Manager and you at no additional fee or other charge, you will be responsible for all travel and living expenses which the Operating Manager and you incur in connection with the training. You must pay us a fee in the amount of $350 per day for each replacement Trainee trained by us, or our designee, or each person provided the Initial Training by us, or our designee, other than the initial trainees.

7.2 Opening On-Site Assistance. We, or our designee, will provide supervision and assistance for opening your BarbaraKares franchise business (the "Opening on Site Assistance"). We, or our designee, will provide assistance for a total of eight (8) hours of On-Site Assistance, which can be consecutive or split and may be pre or post opening. You must pay for motel/hotel, transportation and expenses incurred with the provision of such services. We do not provide opening on-site assistance if you enter into an Area Development Agreement and have opened at least one BarbaraKares franchise pursuant to the Area Development Agreement.

7.3 Ongoing Assistance. We will provide continuing advisory assistance to you in the operation, and promotion of the BarbaraKares franchise as we deem necessary. We, or our designee, will also provide additional or refresher training programs for you and your employees as we deem appropriate. We will provide you, from time to time with advice and materials concerning techniques of managing and operating the BarbaraKares franchise. At your request, we will make additional or refresher training in form and content as we deem appropriate available at your BarbaraKares franchise or at other locations we designate for an additional fee (the "Additional Training Fee") at the rate of $350 per trainer, per day plus travel and living expense, minimum of one (1) day charge.

7.4 Additional Training. If, at any time after the franchised BarbaraKares location opens, you hire additional management personnel or replace one or more of your Operating Partners/Principals, you must ensure that such new employees are satisfactorily trained and certified at an approved training location at your expense. You agree to furnish meals to our, or our designee's, training personnel during the time when your Franchised Business is in operation when they are at your Franchised Business or working in your Protected Territory, at no cost to us. We may require the Trainees and/or other previously trained and experienced managers or employees attend periodic refresher training courses at such times and locations that we designate. You must pay to us, or our designee, the Additional Training Fee set forth in paragraph 7.3.

7.5 General Guidance. We will advise you from time to time regarding the operation of the BarbaraKares franchise based upon reports you submit to us or inspections we make. In addition, we will furnish guidance to you with respect to:

a. standards, specifications and operating procedures and methods utilized for BarbaraKares franchise;

b. purchasing required fixtures, furnishings, equipment, signs, products, materials and supplies;

c. scheduling caregivers;

d. use of suppliers, approved products;

e. advertising and marketing programs;

f. employee training; and

g. administrative, bookkeeping and accounting procedures.

Such guidance will, at our discretion, be furnished in our Confidential Operating Manual(s), bulletins or other written materials and/or during telephone consultations and/or additional training.

7.6 Seminars and Training Conferences. Your Principal Owner, Operating Manager or any of your representatives that we designate must attend all Seminars and Training Conferences, franchise conventions, meetings, and teleconferences that we may require periodically in the Operations Manual or otherwise in writing. We, in our sole discretion, will designate the time and place of any meetings, which may be held in-person or remotely via teleconference or web seminar, Conferences and Seminars will not exceed more than 5 days in length. You will be required to pay all fees associated with seminars or conferences and we may require you pay an attendance fee (currently $300) to us in advance for cost associated with arranging meetings, providing meeting materials, speaker(s) and other related cost. In addition, you are responsible for all travel, lodging, food and living expenses that you and your attendees incur. You will not be required to physically attend more than two conferences in any calendar year.

8. Marks.

8.1 Ownership and Goodwill of Marks. Your right to use the Marks is derived solely from this Agreement and limited to your operation of the BarbaraKares franchised location at the Site pursuant to and in compliance with this Agreement and all System Standards we prescribe from time to time during its term. Your unauthorized use of the Marks will be a breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that your usage of the Marks and any goodwill established by such use will be exclusively for our benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the BarbaraKares franchise in compliance with this Agreement). All provisions of this Agreement apply to any additional proprietary trade and service marks and commercial symbols we authorize you to use.

8.2 Limitations on Your Use of Marks. You agree to use the Marks as the sole identification of the BarbaraKares franchise, except that you agree to identify yourself as the independent owner in the manner we prescribe in the Confidential Operating Manual(s) or otherwise. We may place a conspicuous notice at a place we designate in your BarbaraKares franchised location identifying you as its independent owner and operator. You agree not to remove, destroy, cover or alter that notice without our prior consent. If you do not do so, we may accomplish the notice or identification as we see fit, and you agree to reimburse us for doing so. You may not use any Mark as part of any corporate or legal business name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we license to you), or in any modified form, nor may you use any Mark in connection with any social media networking, including but not limited to, any postings on a social media site or social media network sites nor with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing. No Mark may be used in any advertising concerning the transfer, sale or other disposition of the BarbaraKares franchised location or an ownership interest in you. You agree to display the Marks prominently in the manner we prescribe at the BarbaraKares franchised location, on supplies or materials we designate and in connection with forms and advertising and marketing materials. You agree to give such notices of trade and service mark registrations as we specify and to obtain any fictitious or assumed name registrations required under applicable law.

8.3 Notification of Infringements and Claims. You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark, and you agree not to communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We have sole discretion to take such action as we deem appropriate and the right to control exclusively any litigation, U.S. Patent and Trademark Office proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You agree to sign any and all instruments and documents, render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or Patent and Trade Mark Office or other proceeding or otherwise to protect and maintain our interests in the Marks.

8.4 Discontinuance of Use of Marks. If we deem it advisable at any time in our sole control for us and/or you to modify or discontinue the use of any Mark and/or use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We will not be obligated to reimburse you for any direct or indirect loss, including loss of revenue attributable to any modified or discontinued Mark or for any expenditure you make to promote a modified or substitute trademark or service mark.

8.5 Signage. Signage must comply with all state and local laws, ordinances and any covenants agreed to within your lease. You must limit your signage to "**BarbaraKares In-Home Care Services**" or "**BarbaraKares**," as we may designate. The use of any other language is forbidden. If you employ any signage that does not comply with this Agreement, you will be in material breach of this Agreement. The signage must also incorporate the specific letter style/color and curvature associated with the "BarbaraKares In-Home Care Services" logo or other mark or logo we may, in our sole discretion, designate in writing from time to time. You must not use a sign that deviates from the standard logo unless and until you have submitted a request for such deviation to us in writing with drawings and we have approved such deviation in writing.

8.6 Protection Against Social Media Networking. You understand and agree that you are strictly prohibited from promoting or using the Marks in any manner on any social and/or networking websites, including but not limited to Facebook, LinkedIn, My Space, Twitter, Instagram, Vine, Tumblr, and Snapchat, or any other platform, including but not limited to any online advertising, digital marketing and sponsorships, without our prior written consent.

8.7 Copyrights. All right, title and interest in and to all materials, artwork, and designs used with the Marks or in association with the System are our sole and exclusive property and cannot be replaced or replicated either during or after this Agreement. You have no right to make any direct or indirect use of Copyright Materials except as permitted under this Agreement.

9. Confidential Information.

9.1 Types of Confidential information. We possess (and will continue to develop and acquire) certain confidential information (the "Confidential Information") relating to the development and operation of BarbaraKares franchised locations which includes (without limitation):

a. the System and the know-how related to its use;

b. plans, specifications, and physical characteristics of BarbaraKares franchised locations;

c. site selection criteria;

d. methods in obtaining licensing and meeting regulatory requirements;

e. sources, design and methods of use of equipment, furniture, forms, materials, supplies, websites, Internet, "business to business" or "business to customer" networks or communities and other e-commerce methods of business;

f. any marketing (including but not limited to websites, online advertising, social media marketing or presence, digital marketing and sponsorships), advertising and promotional programs for BarbaraKares franchised locations;

g. staffing and delivery methods and techniques for personal services;

h. the selection, and training of managers for BarbaraKares franchise;

i. the recruitment, qualification and investigation methods to secure employment for employment candidates;

j. any computer software we make available in the future or recommend for BarbaraKares franchised locations;

k. methods, techniques, formats, specifications, procedures, information and systems related to and knowledge of and experience in the development, operation, advertising, marketing and franchising of BarbaraKares In-Home Care Services locations;

l. knowledge of specifications for and identities of and suppliers of certain products, materials, supplies, furniture, furnishings and equipment;

m. electronic information, computer files, documents, records and data;

n. preparation and service techniques and methods; and

o. pricing recommendations, purchase agreement and contracts.

9.2 Disclosure and Limitations on Use. We will disclose much of the Confidential Information to you and personnel of the BarbaraKares franchise by furnishing the Confidential Operating Manual(s) to you and by providing training, guidance and assistance to you. In addition, in the course of the operation of your BarbaraKares franchise, you or your employees may develop ideas, concepts, methods, techniques or improvements ("Improvements") relating to your BarbaraKares franchise or the System, which you hereby agree to disclose to us. We will be deemed to own the Improvements, and the Improvements will constitute Confidential Information. We may use the Improvements and authorize you and others to use them in the operation of BarbaraKares franchise or any other aspect of the System.

9.3 Confidentiality Obligations. You agree that your relationship with us does not vest in you any interest in the Confidential Information other than the right to use it in the development and operation of your BarbaraKares franchise as we see fit, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information is proprietary, includes trade secrets belonging to us, and is disclosed to you or authorized for your use solely on the condition that you agree, and you therefore do agree, that you:

a. will not use the Confidential Information in any other business or capacity;

b. will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement;

c. will not make unauthorized copies of any portion of the Confidential Information disclosed via electronic medium, in written form or in other tangible form, including, for example, the Confidential Operating Manual(s); and

d. will adopt and implement all reasonable procedures we may prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to your employees and the use of nondisclosure and noncompetition agreements we may prescribe for employees or others who have access to the Confidential Information.

9.4 Exceptions to Confidentiality. The restrictions on your disclosure and use of the Confidential Information will not apply to the following:

a. disclosure or use of information, processes, or techniques which are generally known and used in business (as long as the availability is not because of a disclosure by you), provided that you have first given us written notice of your intended disclosure and/or use; and

b. disclosure of the Confidential Information in judicial, administrative or arbitration proceedings when and only to the extent you are legally compelled to disclose it, provided that you have first given us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us that the information required to be disclosed will be treated confidentially.

10. Exclusive Relationship.

You acknowledge and agree that we would be unable to protect Confidential Information against unauthorized use or disclosure or to encourage a free exchange of ideas and information among BarbaraKares franchised locations if franchisees of BarbaraKares locations were permitted to hold interests in or perform services for a Competitive Business (defined below). You agree that, during the term of this Agreement, neither you nor any of your owners (nor any of your or your owners' spouses or children) will:

a. have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, other than the BarbaraKares franchise;

b. have any direct or indirect controlling interest as a disclosed or beneficial owner in a Competitive Business, wherever located; or

c. perform services as a director, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business, wherever located.

The term "Competitive Business" as used in this Agreement means any business or facility owning, operating or managing, or granting franchises or licenses to others using hands-on personal non-medical care, in-home care, assistance and companionship care services using specialized resources, guidance and care tailored to meet the needs of families to provide families of loved ones with non-medical care, assistance and companionship care services (other than a Franchised Business operated under a franchise agreement with us).

11. Operation and System Standards.

11.1 Confidential Operating Manual(s). During the term of this Agreement, we will allow you access, in electronic or in another format we designate, to our manuals (the "Manuals"), consisting of such materials that we generally furnish to franchisees from time to time for use in operating a BarbaraKares In-Home Care Services franchise. The Manuals contain mandatory and suggested specifications, standards, operating procedures and rules ("System Standards") that we prescribe from time to time for the operation of a BarbaraKares franchise and information relating to your other obligations under this Agreement and related agreements. You agree to follow the System Standards and other standards, specifications and operating procedures we establish periodically for the System that are described in the Manuals. We also reserve the right to make the Manuals accessible to you on-line via computer systems or other electronic formats (like Internet, CD-ROM, websites or e-mail). You also must comply with all updates and amendments to the System as described in newsletters or notices we distribute, including via computer systems e.g., internet, CD or other media we select. Any form of the Manuals we make accessible to you on-line will be deemed our Confidential Information. You agree to maintain the Manuals as confidential and maintain the information in the Manuals as secret and confidential. The Manuals may be modified, updated and revised (in written or electronic format) by us from time to time to reflect changes in System Standards. You agree to keep your copy of the Manuals, if any, current and in a secure location at the BarbaraKares franchised location. In the event of a dispute relating to its contents, the master copy of the Manuals we maintain at our principal office will be controlling. However, in the event we utilize on-line Manuals, the most recent on-line Manuals will control any disputes between the on-line version and printed copies of the Manuals. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Manuals. If your copy of the Manuals is lost, destroyed or significantly damaged, you agree to obtain a replacement copy at our then applicable charge (unless we have made on-line Manuals accessible to you. If so, you may utilize the on-line Manuals instead of purchasing other printed Manuals.)

11.2 Compliance with System Standards. You acknowledge and agree that your operation and maintenance of the BarbaraKares franchise in accordance with System Standards is essential to preserve the goodwill of the Marks at all BarbaraKares franchise locations. Therefore, at all times during the term of this Agreement, you agree to operate and maintain the BarbaraKares franchise in accordance with each and every System Standard, as we periodically modify and supplement them during the term of this Agreement. Although we retain the right to establish and periodically modify System Standards that you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of the Franchised Business and implementing and maintaining System Standards at the Franchised Business. If you fail to implement, maintain, and/or comply with System Standards, we may terminate your right to operate the Franchised Business, and/or take other actions to enforce the System Standards.

As examples, and without limitation, System Standards may regulate any one or more of the following with respect to the BarbaraKares franchised location:

(1) all in-home care services, including but not limited to, family in home care, training in home care of loved ones, home visits and assessments;

(2) recommended or suggested staffing levels and client service standards for the Franchised Business; identifying the Franchise Business's personnel; and recommended or suggested employee qualifications, training, dress, and appearance (although you have a sole responsibility and authority concerning employee selection and promotion, employment records, work schedules, discipline, hours worked, rates of pay and other benefits, work assigned, and working conditions);

(3) sales, marketing (including but not limited to websites, online advertising, social media marketing or presence, digital marketing and sponsorships), advertising, and promotional programs and materials and media used in these programs;

(4) use and display of the Marks at the Franchised Business and on signs, contracts,

products and supplies;

(5) days and hours of operation;

(6) participation in market research and testing and product and service development programs as well as participation in, and dues assessed for, advisory councils;

(7) accepting credit and debit cards, other payment systems, and check verification services;

(8) participation in, and compliance with, private and government-sponsored insurance and reimbursement programs;

(9) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning the Franchised Business;

(10) any other aspects of operating and maintaining the Franchised Business that we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and BarbaraKares franchise.

You agree that System Standards prescribed from time to time in the Operations Manuals, or otherwise communicated to you in writing or other tangible form, constitute provisions of this Agreement as if fully set forth herein. All references to this Agreement include all System Standards as periodically modified.

11.3 Modification of System Standards. We may periodically modify System Standards, as we determine. Such modifications may obligate you to invest additional capital in the BarbaraKares franchise ("Capital Modifications") and/or incur higher operating costs. However, such modifications will not alter your fundamental status and rights under this Agreement. We will not obligate you to make any Capital Modifications when such investment cannot in our reasonable judgment be amortized during the remaining term of this Agreement, plus all eligible successor periods, unless we agree to extend the term of your franchise so that such additional investment, in our reasonable judgment, may be amortized; unless such investment is necessary in order to comply with applicable laws. We agree to give you up to 90 days to comply with Capital Modifications we require. However, if a Capital Modification requires an expenditure of more than $20,000 we agree to give you up to 180 days from the date such request is made to comply with such Capital Modification. You are obligated to comply with all modifications to System Standards, including Capital Modification, within the time period we specify.

11.4 Interior and Exterior Upkeep. You agree at all times to maintain the BarbaraKares franchised location's interior and exterior and the surrounding area in the highest degree of cleanliness, orderliness and sanitation and comply with requirements regarding the upkeep of the franchised BarbaraKares location established in the Manuals and by federal, state and local laws.

11.5 Hours of Operation. Unless we have otherwise approved in advance in writing, you agree to operate the Franchised Business during the days and hours specified in your Operations Manual. For any day the franchised BarbaraKares location is not open, except as permitted hereinabove, you will be charged $250 per day unless you have obtained, in writing, permission from us to close for the day(s) not permitted hereinabove. Any amount owed hereinabove will be due and payable upon demand to us and such amount due may be collected by us through electronic funds transfer and will not constitute a waiver of your default and our right to terminate the Franchise Agreement pursuant to Section 16 Paragraph 16.1 hereinafter.

11.6 Accounting, Computers and Records. It is your responsibility to obtain accounting services and any required hardware or software related to them. You will at all times maintain the records reasonably specified in the Manuals, including, without limitation, sales, inventory and expense information.

11.7 Computer System. You agree to use in developing and operating the BarbaraKares franchise computer equipment and operating software (and related training and periodic software support) (the "Computer System") that we periodically specify. We may require you to obtain specified computer hardware or software and may modify specifications for and components of the Computer System from time to time. We currently require you to use the scheduling and Operating system software we specify in our Operation's Manual. We also, currently require you to use, Bench.co for your accounting software and Viventium for payroll preparations. Our modifications and specifications for components of the Computer System may require you to incur cost to purchase, lease or license new or modified computer hardware or software and to obtain service and support for the Computer System during the term of this Agreement. You agree to incur such costs in connection with obtaining the computer hardware and software comprising the Computer System (any additions or modifications). Within 60 days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and require. We have the right to charge you for any computer usage costs that we incur as a result of your use of the Computer System. The Computer System must be capable of connecting with our Computer System so that we can review the results of your BarbaraKares franchised location's operations. We also have the right to charge you a reasonable systems fee for modifications of and enhancements made to any proprietary software that we license to you and other maintenance and support services that we or our affiliate may furnish to you related to the Computer System. You are responsible for all ISP and other connectivity related fees and costs relating to your use of the Computer System. You agree to maintain an active e-mail address at all times and inform us of it. If we adopt a different computer system, POS system or other system in the future, you must adopt it at your expense. You must maintain, modify and upgrade all such items at your sole expense and as we may require from time to time. You must provide us full 24-hour, 7-day-a-week access including online access, and the right to "upload" or "download" information to and from all POS, computer, accounting and other systems, and to the information through your computer, POS or other systems. You must use software we designate from time to time. You agree that you will not make any claim against us or our affiliates for any loss, damage, liability or expense caused by or related to failures, errors, acts, omissions, or otherwise of any computer, POS, hardware or software system.

11.8 Trade Accounts and Taxes. You agree to maintain your trade accounts in a current status and seek to resolve any disputes with trade suppliers promptly. You agree to timely pay all taxes incurred in connection with your BarbaraKares franchised location operations. If you fail to maintain your trade accounts in a current status, timely pay such taxes or any other amounts owing to any third parties or perform any non-monetary obligations to third parties, we may, but are not required to, pay any and all such amounts and perform such obligations on your behalf. If we elect to do so, then you agree to reimburse us for such amounts. You agree to repay us immediately upon receipt of our invoice. We may also set-off the amount of any such reimbursement obligations against all amounts which we may owe you.

11.9 Proprietary Materials. You agree to purchase from us or approved manufacturers or suppliers all items used in operating the BarbaraKares franchise, some of which may bear the Marks. These items include, but are not limited to, employee clothing and other items specified in the Operations Manual (collectively, the "Proprietary Materials"), at then prevailing prices, plus freight, taxes and delivery costs. The items may also include products like clothing, hats, tee shirts, etc. for retail sale to customers.

11.10 Approved Products. You agree not to sell any products or other items at the BarbaraKares franchise that we have not previously approved for sale. You agree to only use and display those services that have been prescribed or approved (except for prices) in advance by us. You will immediately implement changes to the products, service or other items requested by us. You agree to maintain an inventory of products sufficient to meet the daily demands of the BarbaraKares franchise for all items specified in the Confidential Operating Manual.

11.11 Management. You (or your Operating Partner) and one of your managerial employees that has satisfactorily completed our training program must assume responsibility for the BarbaraKares franchise day-to-day management and operation and supervision of the BarbaraKares franchise personnel. You or your Operating Partner/Principal must work a minimum of 40 hours per week (other than vacation periods). During all hours of operations, the BarbaraKares franchised location must be under the direct supervision of you (or your Operating Partner/Principal) and a management-level employee who has satisfactorily completed our Initial Training Program or otherwise been trained by you if you have received our Training Certificate for Initial Training and meets our qualifications for a BarbaraKares franchise Manager. Each of your managerial employees must sign our Confidentiality Agreement attached to the Franchise Disclosure Document, or other agreements satisfactory to us.

11.12 Personnel. All employees must be trained and supervised in accordance with the specifications set forth in the Manuals. All personnel must meet every requirement imposed by applicable federal, state and local law as a condition to their employment.

11.13 Insurance. During the term of this Agreement you must maintain in force at your sole expense comprehensive public liability coverage, general liability insurance, personal injury coverage, workers' compensation and employer's liability insurance, professional liability insurance, employment practices liability insurance and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Franchised Business's operation, all containing at least the minimum liability coverage we prescribe from time to time. Such insurance is in addition to any other insurance that may be required by applicable law, your landlord or otherwise. You must obtain and maintain a fidelity bond in an amount at least equal to the greater of (i) the amount required by applicable state and local laws and regulations or (ii) the amount specified in the Operations Manual. The current requirements for insurance policies and coverage that you must obtain and keep in force during the term of this Agreement include: (1) comprehensive general liability insurance with limits of at least $1 million per occurrence and $3 million aggregate; (2) workers' compensation, $1,000,000 each accident, $1,000,000 disease (each employee) and bonding of $10,000 per occurrence, as well as employer's liability insurance as well as other insurance that may be required by statute or rule of the state in which the Franchised Business is located and operated; (3) personal injury coverage with limits of at least $1 million per occurrence and $1 million aggregate; (4) property damage coverage with limits of at least $1 million per occurrence and $1 million aggregate; (5) professional liability coverage with limits of at least $1 million each incident and $3 million aggregate; (6) employment practices liability insurance with limits of at least $25,000 per occurrence and $2,500 deductible; and (8) automobile liability insurance, and property damage liability, including owned, non-owned, and hired vehicle coverage, with at least $1 million general aggregate limit. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages (including reasonable excess liability insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. These insurance policies must name us and our officers, directors, partners, members, affiliates, subsidiaries and employees as additional named insureds on all of the policies, and must provide for thirty (30) days' prior written notice to us of a policy's material modification, cancellation or expiration. Additional insured status shall include, without limitation, coverage for ongoing and completed operations. The additional insured endorsement form shall be ISO CG 20-26 or any other form that we approve in writing that provides complete coverage. Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) our negligent acts, errors or omission or other additional insureds. You shall maintain such additional insured status for us on your general liability policies continuously during the term of this Agreement. You must utilize an approved professional and liability insurance company selected by Franchisor. The insurance company currently approved by Franchisor is Bob Murphy Insurance Company.

You routinely must furnish us copies of your Certificates of Insurance declarations page(s), endorsements, and other evidence (of the type and nature that we specify) that demonstrate your maintaining this insurance coverage and paying premiums. IF you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the Franchised Business on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintain the insurance plus a reasonable fee for our time incurred in obtaining such insurance, We encourage you to seek advice from an independent risk management provider who may specify higher limits.

Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance that may be maintained by us, nor shall your procurement of required insurance relieve you of liability under the indemnity provisions set forth herein. Your insurance procurement obligations under this Section are separate and independent of your indemnity obligations.

You shall further carry any additional insurance covering such additional risks or providing higher limits as we may reasonably request.

If you at any time fail or refuse to maintain in effect any insurance coverage required by us, or to furnish satisfactory evidence thereof, we at our option and in addition to its other rights and remedies hereunder, may, but shall not be required to, obtain such insurance coverage on behalf of you, and you shall promptly execute any applications or other forms or instruments required to obtain any such insurance and pay to us, on demand, any costs and premiums incurred by us plus an administrative fee of 15% of the amount paid.

11.14 Adequate Reserves and Working Capital. You must at all times maintain adequate reserves and working capital sufficient for you to fulfill all your obligations under this Agreement and to cover the risks and contingencies of the franchised business for at least three months. These reserves may be in the form of cash deposits or lines of credit.

11.15 Variation of Terms. You acknowledge that because uniformity under many varying conditions may not be possible or practical, we reserve the right to materially vary our standards or franchise agreement terms for any BarbaraKares franchise, based on the timing of the grant of the franchise, the peculiarities of the particular protected territory or circumstances, business potential, population, existing business practices, other non-arbitrary distinctions or any other condition which we consider important to the successful operation of the BarbaraKares franchise. You will have no right to require us to disclose any variation or to grant the same or a similar variation to you.

11.16 Client Complaints. In the event your client(s) contact(s) us to report a complaint about your service, you agree that we may in our sole discretion, compensate your client in a manner we determine to be appropriate, and you agree to reimburse us for such compensation. Payment of such amount paid to the client (the "Client Comment Reimbursement Fee") is due upon demand by us.

11.17 Data: Ownership of Data. You agree that all data that you collect from clients, clients and potential clients and customers in connection with the Franchised Business ("**Client Data**") is deemed to be owned exclusively by us, and you also agree that all Client Data must be added (input) into the software specified by us for your use in operating your franchise and you shall provide us all the Client Data while this Agreement or a successor franchise agreement is in effect, but only in connection with operating the Franchised Business and only in accordance with the policies that we establish from time to time. You may not sell, transfer, or use Client Data for any purpose other than operating the Franchised Business. We have the right to periodically specify in writing, in the Operations Manual or otherwise, the information that you must collect and maintain on the Computer System, and you agree to provide us with the reports that we may reasonably request from the data so collected and maintained. All data pertaining to, derived from, or displayed at the Franchised Business (including, without limitation, Client Data) is and shall be our exclusive property, and we hereby grant you a royalty-free non-exclusive license to use that data during the Term of this Agreement for the sole purpose of operating your Franchised Business. **You agree not to give us access to any Medical Professional/Patient or similar records to the extent protected by any Applicable Law**.

11.18 PCI Compliance and Credit Cards. With respect to your acceptance and processing of customer payments by credit and debit cards, you agree to do all of the following:

(1) You agree to maintain, at all times, credit-card relationships with the credit – and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, "**Credit Card Vendors**") that we nay periodically designate as mandatory.

(2) You agree not to use any Credit Card Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval.

(3) We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider.

(4) You agree to comply with all of our policies regarding acceptance of payment by credit and/or debit cards, including for example minimum purchase requirements for a customer's use of a credit card (we may set these requirements in the Operations Manual).

(5) You agree to comply with our requirements concerning data collection and protection, as specified in Paragraph 11.19 above.

(6) You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org), or any successor organization or standards that we may reasonably specify. Among other things, you agree to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires

of a merchant that accepts payment by credit and/or debit cards.

11.19 Privacy Laws. You agree to abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**"). You agree to comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our standards and policies pertaining to Privacy Laws and applicable law, you will: (i) comply with the requirements of applicable law; (ii) immediately provide us with written notice of said conflict; and (iii) promptly and fully cooperate with us and our counsel in determining the most effective way, if possible, to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree that you will not publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

11.20 Your Purchases. We or an affiliate may derive revenue from the sale of required purchases of products, items, goods and services through mark-ups in prices charged by us or our affiliate. We or an affiliate may receive compensation and discounts from suppliers for your purchase of items. You agree that we and/or our affiliates are entitled to such fees and/or other consideration. Any monies paid to us for products, goods or services are non-refundable.

11.21 Your Protection of Personally Identifiable Information. You must implement all administrative, physical and technical safeguards necessary to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric or health data, and government-issued identification numbers ("Personal Information") in accordance with applicable laws and industry best practices. It is your responsibility entirely (even if we provide you any assistance or guidance in this regard) to confirm that safeguards you use to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access, use, storage, disposal and disclosure of Personal Information. If you become aware of a suspected or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately of the breach or unauthorized access, and specify the extent to which Personal Information was compromised or disclosed, and your plans to correct and prevent any further breach or unauthorized access. You will allow us, in our sole discretion, to provide advice on the course of your corrective action.

12. Marketing and Promotion.

12.1 Establishment of Marketing and Technology Fund.

a. You agree to pay us a Marketing and Technology Fund ("Fund") fee of .5% of your monthly Gross Revenue, which fee may be increased up to 1.5% of your monthly Gross Revenue upon a thirty (30) day notice to You. We must receive the Fund fee by the fifth (5^{th}) day of each month we specify in the Confidential Operations Manual. We require you to pay the Fund fee by electronic funds transfer. You agree to comply with the procedures we specify in our Confidential Operations Manual and perform such acts and sign and deliver such documents as may be necessary to accomplish payment by this method. You will give us authorization in a form we designate to initiate debit entries or credit correction entries to your bank account for each month's Fund fee payment and any interest charges due.

b. We will direct all marketing (including but not limited to websites, online advertising, social media marketing or presence, digital marketing and sponsorships) and technology programs, with sole control over the creative concepts, materials and media used in such programs, and the placement and allocation of Fund advertising. You acknowledge that the Fund is intended to further general public recognition and acceptance of the Proprietary Marks for the benefit of the BarbaraKares System and other benefits derived from the website we develop or utilize. You further acknowledge that we and our designees undertake no obligation in administering the Fund to make expenditures for you which are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or to ensure that any advertising impacts or penetrates your Protected Territory. The Fund is not a trust and we are not a fiduciary with respect to the Fund.

c. The Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or local advertising, including (without limitation): television, radio, magazine, newspaper and worldwide web/internet advertising campaigns; other advertising, marketing and public relations materials; point-of-purchase materials; consumer research, interviews and related activities; the creation, maintenance and periodic modification of the BarbaraKares website; reviewing any advertising material you propose to use (as provided below); search engine optimization; establishing a third party facility for customizing local advertising materials; the creative development of signage, posters; the development and creative activity associated with loyalty programs, promotions and public relations events; accounting for BarbaraKares Fund receipts and expenditures; attendance at industry related conventions, shows or seminars; other activities that we in our business judgment believe are appropriate to enhance, promote and/or protect the BarbaraKares System or any component thereof; and, engaging advertising agencies to assist in any or all of the foregoing activities, including fees to have print, broadcast and/or internet advertising placed by an agency, and all other advertising agency and public relations fees.

d. We need not maintain the sums paid by franchisees to the Fund, or income earned from the Fund, in a separate account from our other funds, but we may not use these amounts under any circumstance for any purposes other than those provided for in this Agreement. We may, however, expend monies from the Fund for any reasonable administrative costs and overhead that we may incur in activities reasonably related to the administration or direction of the Fund and marketing and technology programs for franchisees including, without limitation, preparing marketing and advertising materials; working with advertising agencies, advertising placement services and creative talent; preparing an accounting of contributions to the Fund and the annual statement of Fund contributions and expenditures provided for below; and, otherwise devoting our personnel, resources and/or funds for the benefit of the Fund. Our right to expend monies from the Fund to reimburse us for such activities is exclusive of any advertising agency or public relations fees which the Fund must expend to secure the services of an advertising agency or public relations firm or to have print, broadcast or internet advertising placed by an agency.

e. Within 60 days following the close of our fiscal year, we will prepare (but not audit) a statement detailing Fund income and expenses for the calendar year just ended, a copy of which statement will be sent to you upon request.

f. We expect to expend most contributions to the Fund for advertising during the calendar year when the contributions are made. If we expend less than the total sum available in the Fund during any fiscal year, the excess amount will be carried forward to the following fiscal year to be used as provided for in subsection g. If we advance and expend an amount greater than the amount available in the Fund in any calendar year (in addition to any sum required to be expended because we did not expend all the sums in the Fund during the preceding year), we will be entitled to reimburse ourselves from the Fund during the following fiscal year for all such advanced sums, with interest payable on such advanced sums at the greater rate of 1.5% per month or the maximum commercial contract interest rate permitted by law (with interest accruing the first calendar day following the day on which we advance and expend any such sum).

g. We reserve the right to use any media, create any programs and allocate advertising funds to any regions or localities in any manner we consider appropriate in our business judgment. The allocation may include rebates to individual franchisees of some or all of their Fund contributions for local advertising expenditures if, in our judgment, our national or regional advertising program or campaign cannot effectively advertise or promote in certain regions or communities. If we determine that the total Fund contributions collected from all franchisees is insufficient to sustain a meaningful regional or national advertising campaign, we may rebate all or a portion of the Fund contributions to franchisees on a pro rata basis. Franchisees must expend any rebate on the types of local advertising and media that we determine. All rebate advertising expenditures must be documented to us in a monthly rebate advertising expenditure report form which we will furnish.

h. Although the Fund is intended to be a perpetual duration, we maintain the right to terminate the Fund, but will not do so until all of the monies in the Fund have been expended for advertising and promotional purposes.

i. The Fund will not be used for any activity whose sole purpose is the sale of franchises; provided, however, that the design and maintenance of our Web site (for which Fund monies may be used) may include information and solicitations for prospective franchisees and public relations and community involvement activities which may result in greater awareness of the BarbaraKares location brand and the franchise opportunity.

j. No location which we or our affiliate own or operate will be required to participate in or contribute to the Marketing and Technology Fund or other advertising programs provided for in this Paragraph 12.1 and sub-paragraphs thereof, unless it determines to participate in a regional or joint franchise advertisement setting forth the names, addresses and/or telephone numbers of locations, including those owned and operated by us or our affiliate. If we or our affiliate decide to participate in any joint or regional advertising of this type, then we or our affiliate will contribute our or its proportionate share of the cost of the advertisement to the franchisee group sponsoring the advertisement.

k. We or our designee will direct all programs financed by the Marketing and Technology Fund, with sole control over the allocation and any Internet or Intranet websites, networks or communities it operates or participate in, or which requires your participation. You agree that the Marketing and Technology Fund may be used to pay the costs associated directly or indirectly with the operation, maintenance, hosting or development of the website bearing our marks; or establishing Internet, Intranet, website or other forms of e-commerce communities, networks, systems, methods, processes, databases or monitoring systems, which may include our establishing one or more Internet or Intranet websites for purposes of: linking this Agreement; our sharing or selling information to third parties; our establishing business to business or business to customer e-commerce; promoting the development and growth of franchises or soliciting franchisees; or your reporting of Continuing License Fees, Gross Revenue or other information as we designate from time to time. The Marketing and Technology Fund may be used for defraying administrative hosting, development maintenance costs and overhead incurred by us or our designees in connection with the Fund. The Fund may periodically furnish you with samples of advertising, marketing and promotional formats and materials at no cost. Multiple copies of such materials will be furnished to you at our direct cost of producing them, plus any related shipping, handling and storage charges.

12.2 Local Advertising. You are required to spend a minimum amount of $1,000 each month, for local advertising approved by us. You agree that all Local Advertising will comply with the standards set by us and as established in the Confidential Operations Manual. Local Advertising requirements may include, without limitation, placing a certain number and/or type(s) of media advertisements. You are required to provide us quarterly reports of your Local Advertising expenditures and at the beginning of each new year, you must provide us with an annual budget for your Local Advertising expenditures within thirty (30) days of the beginning of each new calendar year. You shall have the right, but not the obligation, to spend more than the Local Advertising requirement on local advertising. All advertising and promotional materials must be previously approved by us and you shall report all advertising expenditures to us upon our request, within ten (10) days. You agree that we shall have the right to require your local advertising be combined with one or more franchisees in an area designated by us, and we shall have the sole right to approve the media selection format.

12.3 Directory Listings. In addition to your obligation to participate in the marketing and Technology Fund and conduct local advertising, at your expense, you agree to obtain telephone directory listing in the online white and yellow pages as approved by us. If other franchisees operate BarbaraKares franchised locations in the market area serviced by the online directories, then you will participate in and pay your pro rata share (based on number of BarbaraKares franchises) of the cost of such listings and advertising.

12.4 Websites. You acknowledge and agree that any website constitutes "advertising" under this Agreement. Any website you develop or utilize must meet all other terms and conditions for advertising described in this Agreement. For this purpose, a "website" means an interactive electronic document, contained in a network of computers linked by communications software, that you operate or authorize others to operate that refers to your franchised BarbaraKares location, The Marks, us, and/or the System. The term website also includes Internet, Intranet and World Wide Web home pages or e-mail address sites. You must not establish any website without our prior written approval of its form, content and information presented due to our substantial interest in protecting the Marks, the System and the Confidential Information. We may require you to participate in a centralized website operated by us, without any compensation to you. We may refuse to permit you to operate or establish any website. We reserve the right to establish one or more Internet, Intranet or other forms of e-commerce websites, networks or communities for purposes of: promoting the development, growth, sales and solicitation of franchises; our establishing or participating in, and requiring or authorizing your participation in, or in connection with: e-commerce; establishing purchasing, supply or referral programs, networks or communities in which you must participate; or monitoring your performance under this Agreement and other purpose we designate from time to time which we deem to promote the development and operation of the System. From time to time we will establish and notify you of our establishment of website policies and other forms of e-commerce policies, which will become part of our System Standards and be provided in the Operations Manual or other written communication by you. We own all right, title and interest in and to information compiled from, derived from or obtained by us via your or our use of websites or our establishment of an Intranet, Internet or other forms of e-commerce networks or communities. Furthermore, you agree to the following:

a. you agree that we may establish electronic links from our website to your website (if we agree that you may have your own website), and that other franchisees may establish electronic links to your website from their websites; without any compensation to you. We may prohibit you from linking any website to your website for any reason without compensation to you;

b. you must not use any mark as part of any URL domain name, Internet or e-mail address, or any other identification of you in any electronic medium or with any prefix, suffix or other modifying words, terms, designs, or symbols, or in any modified form, without our written consent;

c. if this Agreement expires or terminates for any reason, you must immediately stop using any website that utilizes any of the Marks or the System, or that are linked to any of our websites or the website of any of our franchisees. You must also then remove and change any website, domain names, Internet or Intranet addresses, e-mail addresses or other identification that utilize any of the Marks;

d. you agree to establish, maintain and notify us of your active e-mail address, and notify us of any change in your e-mail address within 3 business days of the change; and

e. you agree that we have the right (but no obligation) to develop an Intranet which we and our franchisees can communicate by e-mail or similar electronic means. If we develop an Intranet, you agree to use the facilities of the Intranet in strict compliance with the standards, protocols and restrictions that we include in the Manuals (including, without limitation, standards, protocols, and restrictions relating to encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements). We may, in our sole discretion charge a fee for Intranet usage, which fee shall be paid in accordance with our invoice or pursuant to Paragraph 6.3, through Electronic Funds Transfer.

12.5 Opening Advertising. You agree to spend any amount designated to you by us between $1,000 to $2,000 on an opening advertising campaign to promote the opening of your BarbaraKares franchise as directed by us. This amount must be spent in the sixty (60) day period comprising thirty (30) days before and thirty (30) days after your franchised BarbaraKares location opens to the public. Your opening advertising campaign must be approved by us before you may begin it, and we may require that your campaign include promotional giveaways, which sum shall not be included in the $1,000 to $2,000 advertising campaign expenses.

13. Records, Reports and Financial Statements.

13.1 Accounting System. You agree to establish and maintain at your own expense a bookkeeping and recordkeeping system conforming to the requirements and formats we prescribe from time to time. We may require you to use approved computer hardware, software and websites in order to maintain certain sales data and other information we designate from time to time. This may include the updating of Manuals and for communication purposes. You agree that we may have access to such sales data and other information through the computer system at all times.

13.2 Reports. You agree to furnish to us on such forms that we prescribe from time to time:

a. following the Agreement Date, and weekly thereafter until your BarbaraKares franchise opens, a report of your progress in the development and opening of your BarbaraKares franchise;

b. at our request, within 5 days after their filing, copies of all sales tax returns, for the BarbaraKares franchised location and copies of the canceled checks for the required sales taxes and surtaxes;

c. on Monday of each calendar week, a report on the BarbaraKares franchised location's Gross Revenue during the immediately preceding calendar week (Monday through Sunday);

d. within 15 days after the end of each calendar quarter, a profit and loss statement for the BarbaraKares franchise for the immediately preceding calendar month and year-to-date and a balance sheet as of the end of such month;

e. within 15 days after the end of the BarbaraKares franchise fiscal year, annual profit and loss and source and use of funds statements and a balance sheet for the BarbaraKares franchise as of the end of such fiscal year; and

f. within 10 days after our request, exact copies of federal and state income and other tax returns and such other forms, records, books and other information we may periodically require.

We may require that any of the reports described in this Section 13.2 or any information you are required to provide us under this Agreement or our System Standards be provided to us in electronic format via a secure website (internet or Intranet) at times and in the manner we designate, from time to time.

13.3 Access to Information. You agree to verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data derived from such reports without identifying you. We also have the right to require you to have reviewed or audited financial statements prepared on a calendar year (12 month) basis if we reasonably believe that the reports are incorrect. Moreover, we have the right as often as we deem appropriate (including on a daily basis) to access, electronically or otherwise, all computer registers and other computer systems that you are required to maintain in connection with the operation of the franchised BarbaraKares location and to retrieve electronically or otherwise, all information (including sales, product mix, or other information) relating to the BarbaraKares location's operations.

13.4 Copies of Reports. You agree to furnish us with a copy of all sales, income and other tax returns relating to your BarbaraKares franchised location, at our request. You will also send us copies of any sales or other reports sent to any landlord or governmental agency, at our request.

14. Inspections and Audits.

14.1 Our Right to Inspect the BarbaraKares franchised location. To determine whether you and the BarbaraKares franchise are complying with this Agreement and all System Standards, we and our designated agents have the right at any time during your regular business hours without prior notice, to:

a. inspect the BarbaraKares franchise;

b. observe, photograph and videotape the operations of the BarbaraKares franchise for such consecutive or intermittent periods as we deem necessary;

c. interview personnel and clients of the BarbaraKares franchise; and

d. inspect and copy any books, records and documents relating to your operation of the BarbaraKares franchise.

You agree to cooperate with us fully in connection with any such inspections, observations, photographing, videotaping, product removal, interviews and electronic (Internet or Intranet) record access. You agree to present to your clients such evaluation forms that we periodically prescribe and to participate and/or request your clients to participate in any surveys performed by us or on our behalf. You agree to correct or repair any unsatisfactory conditions we specify within 5 days.

14.2 Our Right to Audit. We have the right at any time during your business hours to inspect and audit, or cause to be inspected and audited, your (if you are a Business Entity) and the BarbaraKares franchise business, bookkeeping and accounting records, purchasing records, advertising and marketing records and expenditures, sales and income tax records and returns and other records. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. If our inspection or audit is made necessary by your failure to furnish reports, supporting records or other information we require, or to furnish such items on a timely basis, or if the information is not accurate (i.e., your Gross Revenue is understated by 2% or more), you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. You also must pay us any shortfall in the amounts you owe us, including late fees and interest, within 10 days of our notice. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law, which may include termination of this Agreement.

15. Transfer.

15.1 By Us. This Agreement is fully transferable by us, and inures to the benefit of any transferee or other legal successor to our interests, as long as such transferee or successor agrees to be bound by, and assumes all of our continuing obligations under, this Agreement. We may also delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

15.2 By You. You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a Business Entity, to your owners) and that we have granted the Franchise to you in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in it) nor any ownership or other interest in you or the BarbaraKares franchise may be transferred without our prior written approval. Any transfer without such approval constitutes a breach of this Agreement and is void and of no effect. As used in this Agreement, the term "transfer" includes your (or your owners') voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in: (a) you; (b) this Agreement; or (c) the BarbaraKares Franchised Business.

An assignment, sale, gift or other disposition includes the following events:

i. transfer of ownership of capital stock, any ownership interest or an interest in the legal entity, or a partnership interest;

ii. merger or consolidation or issuance of additional securities or interest representing an ownership interest in you:

iii. any issuance or sale of your stock or any security convertible to your stock;

iv. transfer of an interest in you, this Agreement or the BarbaraKares Franchised Business in a divorce, insolvency or corporate or any legal entity or partnership dissolution proceeding or otherwise by operation of law;

v. transfer of an interest in you, this Agreement or the BarbaraKares Franchised Business, in the event of your death or the death of one of your owners, by will, declaration of or transfer in trust or under the laws of intestate succession; or

vi. pledge of this Agreement (to someone other than us) or of an ownership interest in you as security, foreclosure upon the BarbaraKares Franchised Business or your transfer, surrender or loss of possession, control or management of the franchised BarbaraKares location.

15.3 Conditions for Approval of Transfer. If you (and your owners) are in full compliance with this Agreement, then subject to the other provisions of this Section 15, we will not unreasonably withhold approval of a transfer that meets all the applicable requirements of this Section. The proposed transferee and its direct and indirect owners must be individuals of good character and otherwise meet our then applicable standards for BarbaraKares franchised location franchisees. A transfer of ownership, possession or control of the BarbaraKares franchised location may only be made if the transferee enters into a new Franchise Agreement. If the transfer is of your BarbaraKares Franchised Business or a controlling interest in you, or is one of a series of transfers which in the aggregate constitutes the transfer of your BarbaraKares Franchised Business(es) or a controlling interest in you, all of the following conditions must be met prior to or concurrently with the effective date of any transfer:

a. the transferee has sufficient business experience, aptitude and financial resources to operate the BarbaraKares Franchised Business and has been approved as a franchisee;

b. you have paid all Continuing License Fees, Marketing and Technology Fund fees, amounts owed for purchases from us and all other amounts owed to us or to third-party creditors and have submitted all required reports and statements;

c. the transferee (or its Operating Partner) and its managerial employee (if different from your manager) have completed our training program;

d. the transferee has agreed to enter into a new Franchise Agreement;

e. you or the transferee pays us a transfer fee of $10,000 (the "Transfer Fee"). We may provide training to your employees, other than Trainees. If we do so, you must pay us a fee of $2,500 per person trained by us. You must also pay all travel and living expenses for you, other trainees and your employees to attend the training. This subsection will not apply if the proposed transferee is among your owners, but the transferee is required to reimburse us for any administrative costs we incur in connection with the transfer;

f. the transferee agrees to pay the costs required to bring the BarbaraKares Franchised Business into compliance with the then current System Standards;

g. you (and your transferring owners) have executed a general release, in the form attached to the Franchise Disclosure Document, of any and all claims against us and our shareholders, officers, directors, employees and agents;

h. we have approved the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the BarbaraKares Franchised Business;

i. if you or your owners finance any part of the sale price of the transferred interest, you and/or your owners have agreed that all of the transferee's obligations pursuant to any promissory notes, agreements or security interests that you or your owners have reserved in the BarbaraKares Franchised Business are subordinate to the transferee's obligation to pay Continuing License Fees, the Marketing and Technology Fund fees and other amounts due to us and otherwise to comply with this Agreement;

j. you and your transferring owners have executed a non-competition covenant in favor of us and the transferee agreeing to be bound, commencing on the effective date of the transfer, by the post-term competitive restrictions otherwise contained in this Agreement; and

k. you and your transferring owners have agreed that you and they will not directly or indirectly at any time or in any manner (except with respect to other BarbaraKares franchises you own and operate) identify yourself or themselves or any business as a current or former franchisee or BarbaraKares Franchised Business, or as one of our licensees or franchisees, use any Mark, any colorable imitation of a Mark, or other indicia of a BarbaraKares Franchised Business in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that suggests or indicates a connection or association with us.

15.4 Transfer to a Business Entity. Notwithstanding the foregoing, if you are in full compliance with this Agreement, we may permit you to transfer this Agreement to a Business Entity that conducts no business other than the BarbaraKares Franchised Business and, if applicable, other franchised BarbaraKares businesses so long as you own, control and have the right to vote all issued and outstanding ownership interests (like stock or partnership interests) and you guarantee its performance under this Agreement. All other owners are subject to our approval. The organizational or governing documents of the Business Entity must recite that the issuance and transfer of any ownership interests in the Business Entity are restricted by the terms of this Agreement, are subject to our approval, and all certificates or other documents representing ownership interest in the Business Entity must bear a legend referring to the restrictions of this Agreement. As a condition of our approval of the issuance or transfer of ownership interests to any person other than you, we may require (in addition to the other requirements we have the right to impose) that the proposed owner execute an agreement, in a form provided or approved by us, agreeing to be bound jointly and severally by, to comply with, and to guarantee the performance of all your obligations under this Agreement.

15.5 Transfer Upon Death or Disability. Upon your death or disability or, if you are a Business Entity, the death or disability of the owner of a controlling interest in you, you or such owner's executor, administrator, conservator, guardian or other personal representative must transfer your interest in this Agreement or such owner's interest in you to a third party. Such disposition of this Agreement or the interest in you (including, without limitation, transfer by bequest or inheritance) must be completed within a reasonable time, not to exceed 6 months from the date of death or disability, and will be subject to all of the terms and conditions applicable to transfers contained in this Section. A failure to transfer your interest in this Agreement or the ownership interest in you within this period of time constitutes a breach of this Agreement. For purposes of this Agreement, the term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you or an owner of a controlling interest in you from managing and operating the BarbaraKares Franchised Business.

15.6 Operation Upon Death or Disability. If, upon your death or disability or the death or disability of the owner of a controlling interest in you, the BarbaraKares Franchised Business is not being managed by a trained manager, you or such owner's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed 15 days from the date of death or disability, appoint a manager to operate the BarbaraKares Franchised Business, such manager will be required to complete training at your expense. Pending the appointment of a manager as provided above or if, in our judgment, the BarbaraKares Franchised Business is not being managed properly any time after your death or disability or after the death or disability of the owner of a controlling interest in you, we have the right, but not the obligation, to appoint a manager for the BarbaraKares Franchised Business. All funds from the operation of the BarbaraKares Franchised Business during the management by our appointed manager will be kept in a separate account, and all expenses of the BarbaraKares Franchised Business, including compensation, other costs and travel and living expenses of our manager, will be charged to this account. We also have the right to charge a reasonable management fee (in addition to the Continuing License Fees and Marketing and Technology Fund contributions payable under this Agreement) during the period that our appointed manager manages the BarbaraKares Franchised Business. Operation of the BarbaraKares Franchised Business during any such period will be on your behalf, provided that we only have a duty to utilize our best efforts and will not be liable to you or your owners for any debts, losses or obligations incurred by the BarbaraKares Franchised Business or to any of your creditors for any products, materials, supplies or services the BarbaraKares Franchised Business purchases during any period it is managed by our appointed manager.

15.7 Effect of Consent to Transfer. Our consent to a transfer of your BarbaraKares Franchised Business or any interest in you does not constitute a representation as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of the BarbaraKares Franchised Business or transferee or a waiver of any claims we may have against you (or your owners).

15.8 Our Right of First Refusal. If you (or any of your owners) at any time determine to sell, assign, or transfer for consideration an interest in your BarbaraKares Franchised Business or an ownership interest in you, you (or such owner) agree to obtain a bona fide, executed written offer and earnest money deposit (in the amount of 5% or more of the offering price) from a responsible and fully disclosed offeror (including lists of the owners of record and all beneficial owners of any corporate or limited liability company offeror and all general and limited partners of any partnership offeror) and immediately submit to us a true and complete copy of such offer, which includes details of the payment terms of the proposed sale and the sources and terms of any financing of the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be denominated in a dollar amount. The offer must apply only to an interest in the BarbaraKares Franchised Business and may not include an offer to purchase any of your (or your owners') other property or rights. However, if the offeror proposes to buy any other property or rights from you (or your owners) under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to us, and the price and terms of purchase offered to you (or your owners) for the interest in you or the BarbaraKares Franchised Business must reflect the bona fide price offered and reflect any value for any other property or rights.

We have the right, exercisable by written notice delivered to you or your selling owner(s) within 30 days from the date of the delivery to us of both an exact copy of such offer and all other information we request, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that:

a. we may substitute cash for any form of payment proposed in such offer (with a discounted amount if an interest rate will be charged on any deferred payments);

b. our credit will be deemed equal to the credit of any proposed purchaser;

c. we will have not less than 60 days after giving notice of our election to purchase to prepare for closing; and

d. we are entitled to receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

(i) ownership and condition of and title to stock or other forms of ownership interest and/or assets;

(ii) liens and encumbrances relating to the stock or other ownership interest and/or assets; and

(iii) validity of contracts and the liabilities, contingent or otherwise, of the corporation whose stock is being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for a period of 2 years commencing on the date of the closing, you and they will be bound by the post-term competitive restrictions otherwise described in this Agreement.

If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser pursuant to and on the exact terms of such offer, subject to our approval of the transfer as otherwise provided in this Agreement, provided that, if the sale to such purchaser is not completed within 120 days after delivery of such offer to us, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), we will have an additional right of first refusal during the 30-day period following either the expiration of such 120-day period or notice to us of the material change(s) in the terms of the sale, either on the terms originally offered or the modified terms at our option.

16. Termination of Agreement.

16.1 By Us. We have the right to terminate this Agreement, effective upon delivery of written notice of termination to you, if we, in our sole discretion, determine to cease all franchise operations or if:

a. you (or any of your owners) have made any material misrepresentation or omission in connection with your purchase of the Franchise; or

b. you or, if applicable, the required Operating Manager or BarbaraKares Manager fail to successfully complete Initial Training to our satisfaction or you have not fulfilled all of the conditions for management of the BarbaraKares Franchised Business; or

c. you (i) fail to obtain our approval of the Site within the required time periods or fail to open the BarbaraKares Franchised Business to the public within 120 days from the execution of this Franchise Agreement, or (ii) fail to obtain our approval of the Lease for the Site or to provide a Conditional Assignment and Assumption of Lease clearly signed by the Landlord or fail to commence construction of the Franchised Business location within 90 days of the Agreement Date; or

d. you abandon or fail to actively operate the BarbaraKares Franchised Business for 2 or more consecutive business days, unless the BarbaraKares franchised location has been closed for a purpose we have approved or because of casualty or government order; or

e. you surrender or transfer control of the operation of the BarbaraKares Franchised Business without our prior written consent; or

f. you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest, or guilty, to, a felony or other serious crime or offense that is likely to adversely affect your reputation, our reputation or the reputation of any other BarbaraKares franchise location; or

g. you (or any of your owners) engage in any dishonest or unethical conduct which may adversely affect the reputation of the BarbaraKares Franchised Business or another BarbaraKares franchise or the goodwill associated with the Marks; or

h. you (or any of your owners) make an unauthorized assignment of this Agreement or of an ownership interest in you or the BarbaraKares franchise; or

i. in the event of your death or disability or the death or disability of the owner of a controlling interest in you, this Agreement or such owner's interest in you is not assigned as required under this Agreement; or

j. you lose the right to possession of the Site; or

k. you (or any of your owners) make any unauthorized use or disclosure of any Confidential Information or use, duplicate or disclose any portion of the Manuals in violation of this Agreement; or

l. you violate any health, safety or sanitation law, governmental ordinance or regulation and do not begin to cure the noncompliance or violation immediately, and correct such noncompliance or violation within 5 days, after written notice is delivered to you; or

m. you fail to make payments of any amounts due to us or our affiliate under this Agreement or any other agreement that you have with us, and do not correct such failure within 10 days after written notice of such failure is sent to you; or

n. you fail to make payments of any amounts due to approved suppliers of products or services and do not correct such failure within 10 days after written notice of such failure is sent to you by such supplier; or

o. you fail to pay when due any federal or state income, service, sales or other taxes due on the operations of the BarbaraKares Franchised Business, unless you are in good faith contesting your liability for such taxes; or

p. you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct such failure within 30 days after written notice of such failure to comply is sent to you; or

q. you (or any of your owners) fail on 2 or more separate occasions within any period of 12 consecutive months or on 3 occasions during the term of this Agreement to submit when due reports or other data, information or supporting records, to pay when due any amounts due to us or otherwise to comply with this Agreement, whether or not such failures to comply were corrected after written notice of such failure was sent to you; or

r. you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; the BarbaraKares franchised location is attached, seized, subjected to a writ or distress warrant or levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within 30 days; or any order appointing a receiver, trustee or liquidator of you or the BarbaraKares Franchised Business is not vacated within 30 days following the entry of such order. You are required to notify us in writing within 10 days of any of the above events; or

s. you misuse or make an unauthorized use of the Marks or materially impair the goodwill associated with the Marks.

Notwithstanding the provisions described in Paragraph 16.1 and sub-sections "a-s", if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over the Franchise and the parties to this Franchise Agreement shall limit our rights of termination or shall require a longer notice period than set forth above, this Franchise Agreement is deemed amended to conform to such rules and regulations.

16.2 Your Failure to Pay Constitutes Your Termination of This Agreement. Your failure to timely cure any breach of your obligation to make payments of Continuing License Fees, the Marketing and Technology Fund fees or any other monies due and owing to us under this Agreement, or to timely cure any other material breach of this Agreement committed by you, in either instance following our notice to you that you have committed a breach of this Agreement and granting you an opportunity to cure said breach, will be irrevocably deemed to constitute your unilateral rejection and termination of this Agreement and all related agreements between you and us or our affiliate, notwithstanding that a formal notice of such termination(s) ultimately issues from us, and you shall never contend or complain otherwise.

16.3 Cross-Default. Any default or breach by you, an affiliate which has been approved by us, and/or any guarantor of yours of any other agreement between us and you and/or such other parties will be deemed a default under this Agreement, and any default or breach of this Agreement by you and/or such other parties will be deemed a default or breach under any and all such other agreements between us and you, your affiliates and/or any guarantor of yours. If the nature of the default under any other agreement would have permitted us to terminate this Agreement if the default had occurred under this Agreement, then we will have the right to terminate all such other agreements in the same manner provided for in this Agreement for termination hereof. Your "affiliates" means any persons or entities controlling, controlled by or under common control with you.

16.4 Options Prior to Termination.

Prior to the termination of this Agreement, if you fail to pay any amounts owed to us or our affiliate, or fail to comply with any term of this Agreement, then in addition to any right we may have to terminate this Agreement or to bring a claim for damages, we will have the option to:

a. Remove the listing of the BarbaraKares Franchised Business from all advertising we may publish or approve;

b. Remove the listing of the BarbaraKares Franchised Business from our Website;

c. Prohibit you from attending any meetings or seminars we hold or sponsor or that take place on our premises; and/or

d. Suspend all services we provide to you under this Agreement or otherwise, including, but not limited to inspections, training, marketing assistance, and sale of any proprietary item.

Our actions, as outlined in this Paragraph 16.4, may continue until you have brought your accounts current, cured any default, and complied with our requirements, and we have acknowledged the same in writing. You acknowledge that our taking of any of these actions would not prevent you from continuing to operate the BarbaraKares Franchised Business (unless and until this Agreement has been terminated), and therefore would not constitute constructive termination of this Agreement. The taking of any of the actions permitted in this paragraph will not suspend or release you from any obligation that would otherwise be owed to us or our affiliate under the terms of this Agreement or otherwise.

17. Rights and Obligations Upon Termination.

17.1 Payment of Amounts Owed to Us. You agree to pay us within 15 days after the effective date of termination or expiration of this Agreement, or on such later date that the amounts due to us are determined, such Continuing License Fees, the Marketing and Technology Fund fees, amounts owed for purchases from us, interest due on any of the foregoing and all other amounts owed to us which are then unpaid.

17.2 Marks and De-Identification. Upon the termination or expiration of this Agreement:

a. You may not directly or indirectly at any time or in any manner (except with respect to other BarbaraKares franchises you own and operate) identify yourself or any business as a current or former BarbaraKares franchisee, or as one of our licensees or franchisees, use any Mark, any colorable imitation of a Mark or other indicia of a BarbaraKares Franchised Business in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that indicates or suggests a connection or association with us. Within thirty (30) days of termination or expiration you are to deliver to us, at your own expense, all signs, sign-faces, sign-cabinets, marketing materials, forms and other materials containing any mark or otherwise identifying or relating to a BarbaraKares Franchised Business. In our sole judgment, we may waive this requirement in writing provided that you provide a sworn Certificate of Destruction/De-identification detailing your compliance with these terms;

b. You agree to take such action as may be required to cancel all fictitious or assumed name or equivalent registrations or licenses relating to your use of any Mark;

c. If we do not have or do not exercise an option to purchase the BarbaraKares franchised business, you agree to deliver to us within 30 days after, as applicable, the effective date of expiration/termination of this Agreement or the Notification Date all signs, sign-faces, sign-cabinets, marketing materials, forms and other materials containing any Mark or otherwise identifying or relating to a BarbaraKares franchised location and allow us, without liability to you or third parties, to remove all such items from the BarbaraKares franchised location;

d. If we do not have or do not exercise an option to purchase the BarbaraKares franchised business, you agree that, after, as applicable, the effective date of expiration/terminations of this Agreement or the Notification Date, you will promptly and at your own expense make such alterations we specify to distinguish the BarbaraKares Franchised Business clearly from any other franchisee and make such alterations to forms, graphics, signs, stationary, the locations, its former appearance and from other BarbaraKares franchisees so as to prevent confusion by the public, including, without limitation, removing all exterior and interior signage bearing the BarbaraKares name or logo; removing all furnishings bearing the BarbaraKares name or logo; removing all memorabilia and décor items including pictures or any notation of any type that includes the BarbaraKares name or logo; removing and ceasing to use all private labeled items, all retail merchandise bearing the BarbaraKares Franchised Business name or logo; repainting of the interior of the BarbaraKares franchise to reflect a change in the basic color scheme so as to clearly distinguish from its former appearance/concept and from other BarbaraKares Franchised Business so as to prevent confusion by the public and all other alterations we specify to distinguish the BarbaraKares Franchised Business clearly from its former appearance and from other BarbaraKares Franchised Business;

e. If we do not have or do not exercise an option to purchase the BarbaraKares franchised business, you must return to us all proprietary manuals including the Confidential Operations Manual. These items are to be returned to us via ground delivery service, shipped no later than the day of closing, and a copy of the bill of lading/shipping order provided to us;

f. If we do not have or do not exercise an option to purchase the BarbaraKares franchised business you agree that, after, as applicable, the effective date of expiration/termination of this Agreement or the Notification Date, you will notify the telephone company and assign all telephone, facsimile or other numbers and any regular, classified or other telephone directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify. You further appoint an officer of Franchisor as your attorney in fact, to direct the telephone company and any listing agencies to transfer any telephone numbers and listing to us should you fail to voluntarily do so, and the telephone company and all listing agencies shall accept such direction of this Agreement as conclusive of the exclusive rights of Franchisor in such telephone numbers and directory listings and its authority to direct their transfer; and

h. You agree to furnish us, within 30 days after, as applicable, the effective date of expiration or termination of this Agreement or the Notification Date, with evidence satisfactory to us of your compliance with the foregoing obligations.

17.3 Confidential Information. You agree that, upon termination or expiration of this Agreement, you will immediately cease to use any of our Confidential Information in any business or otherwise and return to us all copies of the Manuals and any other confidential materials that we have loaned to you.

17.4 Competitive Restrictions. Upon termination or expiration of this Agreement for any reason whatsoever, you agree that, for a period of 2 years commencing on the Effective Date of termination or expiration neither you nor any of your owners will have any direct or indirect interest (including through a spouse, child or other family member) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, member, manager, representative or agent or in any other capacity in any Competitive Business operating:

a. At the Site or within the Protected Territory; or

b. Within 25 miles of the Site or Protected Territory; or

c. Within 25 miles of any other franchised BarbaraKares location in operation or under construction on the later of the effective date of the termination or expiration.

If any person restricted by this Section refuses voluntarily to comply with the foregoing obligations, the 2-year period will commence with the entry of an order of an arbitrator, or court if necessary, enforcing this provision. You expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive you or your owners of your or their personal goodwill or ability to earn a living.

All persons with an ownership or voting interest in you if you are a Business Entity franchisee, all individual franchisees if you are not a Business Entity and any person employed by or under an independent contractor relationship with you who receives or will receive any training by us or you which is directly or indirectly related to the System or involves any of the Confidential Information must execute the Confidentiality, Non-solicitation and Non-competition Agreement attached to the Franchise Disclosure Document no later than ten days following the effective date of this Agreement (or, if any individual or entity attains such status after the effective date of this Agreement, within ten days following such individual or entity's attaining such status).

17.5 Our Right to Purchase.

a. Exercise of Option. Upon our termination of this Agreement in accordance with its terms and conditions, we have the option, exercisable by giving written notice to you within 60 days from the date of such termination, to purchase the BarbaraKares Franchised Business from you, including the leasehold right to the Site. (The date on which we notify you whether or not we are exercising our option is referred to in this Agreement as the "Notification Date"). We have the unrestricted right to assign this option to purchase the BarbaraKares Franchised Business. We will be entitled to all customary warranties and representations in connection with our asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise.

b. Leasehold Rights. You agree at our election:

(i) to assign your leasehold interest in the site to us; to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the prime lease; or

(ii) to lease to us if you own the Site in accordance with the Agreement to Lease.

c. Purchase Price. The purchase price for the BarbaraKares Franchise Business will be its fair market value, determined in a manner consistent with reasonable depreciation of the BarbaraKares Franchised Business equipment, signs, inventory, materials and supplies provided that the BarbaraKares Franchised Business will be valued as an independent business and its value will not include any value for:

(i) the Franchise or any rights granted by the Agreement;

(ii) the Marks; or

(iii) participation in the network of BarbaraKares franchisees.

Your BarbaraKares franchised location's fair market value will include the goodwill you developed in the market of the BarbaraKares Franchised Business that exists independent of the goodwill of the Marks and the System. The length of the remaining term of the lease for the Site will also be considered in determining the BarbaraKares Franchised Business fair market value.

We may exclude from the assets purchased cash or its equivalent and any equipment, signs, inventory, materials, lease and supplies that are not reasonably necessary (in function or quality) for our operation or that we have not approved as meeting standards for franchisees, and the purchase price will reflect such exclusions.

The purchase price will be paid at the closing of the purchase, which will take place not later than 90 days after determination of the purchase price. We have the right to set off against the purchase price, and thereby reduce the purchase price by, any and all amounts you or your owners owe to us. At the closing, you agree to deliver instruments transferring to us the following:

(i) Good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interest acceptable to us), with all sales and other transfer taxes paid by you;

(ii) All licenses and permits of the BarbaraKares Franchised Business which may be assigned or transferred; and

(iii) The leasehold interest and improvements in the Site.

If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, the closing of the sale will be accomplished through an escrow. You and your owners further agree to execute general releases, in the form attached to the Franchise Disclosure Document, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns.

18. Relationship of the Parties/Indemnification.

18.1 Independent Contractors. You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that we and you are and will be independent contractors and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner or employee of the other for any purpose. You agree to conspicuously identify yourself in all dealings with customers, suppliers, public officials, BarbaraKares Franchised Business personnel and others as the owner of the BarbaraKares franchised business under a franchise we have granted and to place such notices of independent ownership on such forms, business cards, stationery and advertising and other materials as we may require from time to time. If you do not do so, we may place the notices and accomplish the foregoing as we see fit, and you must reimburse us for doing so.

18.2 No Liability for Acts of Other Party. You agree not to employ any of the Marks in signing any contract or applying for any license or permit, or in a manner that may result in our liability for any of your indebtedness or obligations, and that you will not use the Marks in any way we have not expressly authorized. Neither we nor you will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other, represent that our respective relationship is other than franchisor and franchisee or be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized in writing. We will not be obligated for any damages to any person or property directly or indirectly arising out of the BarbaraKares Franchised Business operation or the business you conduct pursuant to this Agreement.

18.3 Taxes. We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, payroll, property or other taxes, whether levied upon you or the BarbaraKares franchised location, in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your responsibility.

18.4 Indemnification. You agree to indemnify, defend and hold us, our affiliate and our respective shareholders, directors, officers, employees, agents, successors and assignees (the "Indemnified Parties") harmless from and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages described in this Section, any and all taxes arising from the operation of your BarbaraKares Franchised Business, and any and all claims and liabilities directly or indirectly arising out of the BarbaraKares Franchised Business operation (even if our negligence is alleged, but not proven); any element of your development, opening and operation of your BarbaraKares Franchised Business, including (without limitation) any personal injury, death or property damage suffered by any customer, visitor, operator, employee or guest of the BarbaraKares Franchised Business; crimes committed on or near your BarbaraKares Franchised Business or vehicles used by your BarbaraKares Franchised Business; all acts, errors, neglects or omissions engaged in by you, your contractors or subcontractors, as well as any third party, arising out of or related to the design, construction, conversion, build-out, outfitting, remodeling, renovation or upgrading of your BarbaraKares Franchised Business, whether or not any of the foregoing was approved by us; defects in any BarbaraKares Franchised Business you construct and/or operate, whether or not discoverable by you or by us; all acts, errors, neglects or omissions of you or the BarbaraKares Franchised Business and/or the owners, officers, directors, management, employees, agent, servants, contractors, partners, proprietors, affiliates or representatives of you or the BarbaraKares franchised location (or any third party acting on your behalf or at your direction), whether in connection with the BarbaraKares Franchised Business or otherwise; all liabilities arising from or related to your offer, sale and/or delivery of products and/or services as contemplated by this Agreement; and, any action by any customer of yours or visitor to your BarbaraKares Franchised Business or any other facility of your franchised business; or your breach of this Agreement.

For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountant's, arbitrator's, attorney's and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

19. Enforcement.

19.1 Severability and Substitution of Valid Provisions. Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, un-appealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and binding upon the parties hereto, although any portion held to be invalid shall be deemed not to be part of this Agreement from the date the time for appeal expires, if you are a party thereto, or upon your receipt of a notice of non-enforcement thereof from us. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to allow you a Successor Franchise to this Agreement than is 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 operation 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 notice requirements hereof, and we shall have the right, in our sole discretion to modify such invalid or unenforceable provision, specification, standard or operation procedure to the extent required to be valid and enforceable. Such modifications to this Agreement shall be effective only in such jurisdiction unless we elect to give them greater applicability and this Agreement shall be enforced as originally made and entered into in all other jurisdictions.

19.2 Waiver of Obligations. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request therefor, and such approval shall be obtained in writing. We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you by granting any waiver, approval or consent to you, or by reason of any neglect, delay or denial of any request therefor. Any wavier granted by us shall be without prejudice to any other rights we may have, will be subject to continuing review by us and may be revoked, in our sole discretion, at any time and for any reason, effective upon receipt by you of ten (10) days prior written notice. We shall not be deemed to have waived or impaired any right, power, or option reserved by this Agreement (including, without limitation, our right to demand exact compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate this Franchise prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof; any failure by us or you to demand strict compliance with this Agreement, any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature against other franchisees of us or the acceptance by us of any payments due from you after failure to comply with any provision of this Agreement, nor acceptance by us of any payment by you or failure, refusal or neglect of us or you to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations, hereunder, including without limitation, any mandatory specification, standard or operating procedure, shall not constitute a waiver of any provision of this Agreement.

19.3 Franchisee May Not Withhold Payment Due Franchisor. You agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations hereunder, withhold payment of any Continuing License Fees, the Marketing and Technology Fund fees, and amounts due to us for items or products purchased by you or any other amounts due from you to us.

19.4 Force Majeure. If the performance of any obligation under this Franchise Agreement is prevented or delayed, in whole or in part, by reason of force majeure, or the consequence thereof, affecting the parties hereto or the rights granted hereunder, such force majeure to include but not be limited to acts of God, fire, flood, governmental restrictions, lockouts or labor disputes, then the affected party shall be given such additional time as is reasonable to perform in view of the nature and extent of the force majeure.

19.5 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*.) and the United States Arbitration Act which may also be designated the Federal Arbitration Act, this Agreement and the franchise shall be governed by the laws of Georgia.

Franchisee waives any and all rights, actions or claims for relief under the Federal Act entitled "Racketeer Influenced And Corrupt Organizations", 18 U.S.C. Section 1961, *et seq*.

19.6 Binding Effect. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, legal representatives, assigns and successors in interest.

The parties hereto agree that this Agreement may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this Agreement and all Riders, Amendments or Addenda hereto. You are not entitled to challenge the validation or authenticity of the electronic signature or the document on the ground that it is not the original.

19.7 Construction. The preambles are a part of this Agreement, and together with the Manuals, all exhibits, attachments and addenda constitute the entire agreement of the parties, and, with the exception, if applicable, of a lease or sublease for the premise of the BarbaraKares Franchised Business between us and you, there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. The headings of the Sections and Paragraphs hereof are for convenience only and do not define, limit or construe the contents of such Sections or Paragraphs. The term "you", "your" or "Franchisee" as used herein is applicable to one or more persons, a corporation, partnership, limited liability company or other legal entity, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. Reference to Franchisee, and "assignees" and "transferees" which are applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchisee or any such assignee or transferee if Franchisee or such assignee or transferee is a corporation, partnership, limited liability company or other legal entity. This Agreement may be executed in multiple copies, each of which shall be deemed an original. Time is of the essence of this Agreement.

19.8 Judicial Enforcement, Injunction and Specific Performance. Notwithstanding the provisions of Paragraphs 19.9 and 19.10, we shall be entitled, without bond, to the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to Franchisee's use of the Marks, the obligations of Franchisee upon termination or expiration of the franchise, and assignment of the Franchise and ownership of Franchisee. If we secure any such injunction or order of specific performance, Franchisee agrees to pay to us an amount equal to the aggregate of our costs of obtaining such relief, including, without limitations, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, and any damages incurred by us as a result of the breach of any such provision.

19.9 Mediation. The parties hereto agree that before resorting to binding arbitration, that if any dispute arises between the parties hereto, any affiliated companies thereof or any of their officers, directors, partners, joint ventures, employees, agents, representatives or those in active concert with any of such parties, relating to anything other than the matters set forth in Section 10 and Paragraphs 17.4 or 19.8, the parties hereto agree to first try in good faith before resorting to arbitration, to settle the dispute by mediation in Milledgeville, Georgia, administered by the American Arbitration Association under its Commercial Mediation Rules and initiated at and supervised by the American Arbitration Association unless agreed otherwise by the parties. Disputes subject to mediation shall be all controversies, claims, and matters from the beginning of time, whether contractual or tort in nature, except for those matters specifically excluded in Section 10 and Paragraphs 17.4 and 19.8. The party who seeks resolution of a controversy, claim or dispute or other matter in question shall notify the other party and the American Arbitration Association office in writing of the existence and subject matter of such controversy, claim or dispute. Unless mutually agreed otherwise, the parties shall meet with the mediator within thirty (30) days after the recipient party has received notice of the dispute, and agree to utilize their best efforts and all expediency to resolve the matters in dispute. The mediation shall not continue longer than one (1) hearing day without the written approval of both parties. Neither party shall be bound by any recommendation of the mediator; however, any agreement reached during mediation shall be final and conclusive. The expense of mediation shall be shared equally by both parties. The parties' obligation to mediate will be deemed to be satisfied after one (1) hearing day or 60 days after a mediation demand has been made if any party fails to appear or participate in good faith in the mediation.

Franchisor and the Franchisee each agree that the mediation process is negotiation for the purpose of compromise. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation process by any of the parties, their agents, employees, experts and attorneys, shall be confidential. Franchisee acknowledges that Franchisor may require the Franchisee to execute a confidentiality agreement pertaining to the mediation process. Notwithstanding the foregoing, evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or not discoverable as a result of its use in the mediation process.

In the event the parties are unable to reach an agreement by mediation, then in that event all disputes, controversies, claims or causes of action shall be submitted to binding arbitration pursuant to Paragraph 19.10 hereinafter.

19.10 Arbitration. All disputes and claims relating to any provision of this Franchise Agreement (other than as set forth in Section 19, Paragraph 19.8 above, Franchisee's use of the Marks or the parties' Exclusive Relationship or the obligations of Franchisee upon termination or expiration of the franchise, and assignment of the Franchise and ownership of Franchisee), any specification, standard, operating procedure, or rule or any other obligation of Franchisee prescribed by Franchisor or any obligation of Franchisor, or the breach thereof (including, without limitation, any claim that this Agreement, any provision hereof, any specification, standard, operating procedure or rule or any other obligation of Franchisee or Franchisor is illegal or otherwise unenforceable or voidable under any law, ordinance, or ruling) shall be settled by arbitration in Milledgeville, Georgia, or if Franchisor shall no longer maintain an office in Milledgeville, Georgia, then the home office of Franchisor. Arbitration shall be conducted in accordance with the United States Arbitration Act (9 U.S.C. Section

1, *et seq*.), if applicable, and the Rules of the American Arbitration Association (relating to the arbitration of disputes arising under franchise and license agreements, if any, otherwise, the general rules of commercial arbitration), provided that the arbitrator shall award, or include in his/her award, the specific performance of this Agreement, and the arbitrator shall issue a written opinion explaining the reasons for his/her decision and award. If a claim for amounts owed by Franchisee to Franchisor is asserted in the arbitration proceeding and if Franchisor shall prevail on such claim, Franchisor shall be entitled to so much of its cost and expenses including accounting and legal fees, as are attributable to the prosecution thereof. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof or of Franchisor or of Franchisee. During the pendency of an arbitration proceeding hereunder, Franchisee and Franchisor shall fully perform and comply with the provisions of this Agreement. The parties intend and agree that any state laws attempting to prohibit arbitration or void out-of-state forums for arbitration are preempted by the Federal Arbitration Act and the arbitration shall be held as provided in Paragraph 19.10.

19.11 Third Party Beneficiaries. Our officers, directors, shareholders, members, agents and/or employees are express third party beneficiaries of the arbitration provisions in Paragraph 19.10, each having authority to specifically enforce the right to arbitrate claims asserted against such person(s) by Franchisee.

19.12 Class Claims. Franchisee agrees that any arbitration between Franchisee and Franchisor will be Franchisee's individual claim and that the claim or claims subject to arbitration shall not be arbitrated on a class-wide basis.

19.13 Entire Agreement. This Agreement, including the introduction, addenda and exhibits to it, constitutes the entire agreement between you and us. Notwithstanding the foregoing, nothing in the Agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you. There are no other oral or written understandings or agreements between you and us concerning the subject matter of this Agreement. Except as expressly provided otherwise in this Agreement, this Agreement may be modified only by written agreement signed by both you and us.

19.14 Certain Definitions. The term "family member" refers to parents, spouses, offspring and siblings, and the parents and siblings of spouses. The term "affiliate" means any Business Entity directly or indirectly owned or controlled by a person, under common control with a person or controlled by a person. The terms "franchisee," "franchise owner," "you" and "your" are applicable to one or more persons, or a Business Entity, as the case may be. The singular use of any pronoun also includes the plural and the masculine and neuter usages include the other and the feminine. The term "person" includes individuals, corporations, partnerships (general or limited), limited liability companies, and all artificial or legal entities. The term "Section" refers to a Section or Subsection of this Agreement. The word "control" means the power to direct or cause the direction of management and policies. The word "owner" means any person holding a direct or indirect, legal or beneficial ownership interest or voting right in another person (or a transferee of this Agreement or an interest in you), including any person who has a direct or indirect interest in you or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets.

19.15 Time Is of the Essence. It will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement. In computing time periods from one date to a later date, the words "from "and "commencing on" (and the like) mean “from and including”; and the words “to”, “until” and “ending on” (and the like) mean “to but excluding.” Indications of time of day mean Milledgeville, Georgia time.

19.16 Anti-Terrorism Compliance. You agree to comply with, and/or assist us to the fullest extent possible in our efforts to comply with, Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, the Foreign Terrorist Organizations Sanctions Regulations, the Cuban Assets Control Regulations and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war (the “Anti-Terrorism Laws”). In connection with such compliance you certify, represent and warrant that none of your property or interests are subject to being “blocked” under any of the Anti-Terrorism Laws and that you are not otherwise in violation of any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by you or your employees or any “blocking” of your assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements you have entered into with us or any of our affiliate, in accordance with the termination provisions of this Agreement.

19.17 Our Withholding of Consent, Your Exclusive Remedy. In no event may you make any claim for money damages based on any claim or assertion that we have unreasonably withheld or delayed any consent or approval under this Franchise Agreement. You waive any such claim for damages. You may not claim any such damages by way of setoff, counterclaim or defense. Your sole remedy for the claim will be mediation and arbitration proceedings in accordance with Paragraphs 19.9 and 19.10 respectively to enforce the Agreement provisions, for specific performance or for declaratory judgment.

19.18 Notices. All written notices and reports permitted or required under this Agreement or by the Manuals will be deemed delivered:

a. 2 business days after being placed in the hands of a commercial airborne courier service for next business day delivery; or

b. 3 business days after placement in the United States mail by certified mail, return receipt requested, postage prepaid.

All such notices must be addressed to the parties as follows:

If to Us: BarbaraKares International, Inc.
560 West Martin Luther King Dr.
Milledgeville, GA 31061

If to You: ______________________________
____
____
Attention: ______________________

Either you or we may change the address for delivery of all notices and reports and any such notice will be effective within 10 business days of any change in address. Any required payment or report not actually received by us during regular business hours on the date due (or postmarked by postal authorities at least 2 days prior to such date, or in which the receipt from the commercial courier service is not dated prior to 2 days prior to such date) will be deemed delinquent.

20. Spousal Consent.

If you have obtained our approval and the Franchisee is a corporation, partnership, limited liability company or other form of legal entity, then the spouse of each of your owners, or, for, an individual(s), or subsequent to execution hereof you marry or you assign this Agreement to an individual(s), then in either event, the spouse(s) hereby jointly and severally personally and unconditionally guarantee(s) without notice, demand or presentment, the payment of all of your monetary obligations under this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses further agree to be bound by restrictions upon your activities upon transfer, termination or expiration of this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses must execute a spousal consent in the form attached hereto as Exhibit G-Three. In the event of divorce and re-marriage, or subsequent marriage, you covenant and agree to provide Franchisor with a properly executed spousal consent and guarantee, in the form prescribed by Franchisor.

Intending to be bound, you and we sign and deliver this Agreement in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

[Signatures on page that follows.]

Dated: ________________	**"You"; "Your"; "Franchisee"** **If a corporation or other entity:**
	________________________________ (Name of Corporation or Other Entity)
Attest: __________________________ (Signature)	By: ______________________________ (Signature)
________________________________ (Print Name)	________________________________ (Print Name)
	Its: ______________________________ (Title)
Dated: __________________	**If an individual:**
________________________________ Witness	________________________________ (Signature)
________________________________ (Print Name)	________________________________ (Print Name)
________________________________ Witness	________________________________ (Signature)
________________________________ (Print Name)	________________________________ (Print Name)
Dated: ________________	**"We"; "Us"; "Our"; "Franchisor"** **BarbaraKares International, Inc.**
________________________________ Witness	By: ______________________________ (Signature)
________________________________ (Print Name)	________________________________ (Print Name)
	Its: ______________________________

EXHIBIT “G-ONE” TO THE FRANCHISE AGREEMENT

CENTER AND SITE SELECTION AREA

EXHIBIT “G-ONE” TO THE FRANCHISE AGREEMENT

CENTER AND SITE SELECTION AREA

1. Your Site Selection Area prior to approval of the Site is the geographic area described below (the “Center”):

____
____
____
____

2. If the Site Selection Area is to be determined after the Agreement Date, check this box ☐.

When we accept the Center, we will complete the description of the Site Selection Area at that time.

EXHIBIT “G-TWO” TO THE FRANCHISE AGREEMENT

PROTECTED TERRITORY

EXHIBIT "G-TWO" TO THE FRANCHISE AGREEMENT

PROTECTED TERRITORY

Your Site is located at:

____

____

____

____

Your Protected Territory is the geographic area consisting of 150,000 people (most current U.S. Census), or a radius of 6 miles from the site, whichever is the lesser area, as described above.

If map is attached check box:

☐

EXHIBIT "G-THREE" TO THE FRANCHISE AGREEMENT

SPOUSAL CONSENT

EXHIBIT "G-THREE" TO THE FRANCHISE AGREEMENT

SPOUSAL CONSENT

The undersigned person(s) hereby represent(s) to BarbaraKares International, Inc. that he/she is the spouse of the individual franchisee(s) who has executed a BarbaraKares International, Inc. Franchise Agreement dated the __ day of _________, 20__ or that he/she is the spouse of one of the Owners of the legal entity who executed the BarbaraKares International, Inc. Franchise Agreement of the same date. In consideration of the grant by BarbaraKares International, Inc. to the Franchisee as herein provided, each of the undersigned spouses agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them, will be firmly bound by all of the terms, provisions and conditions of the foregoing BarbaraKares International, Inc. Franchise Agreement, that they and each of them jointly and severally do hereby unconditionally guarantee the full and timely performance by the Franchisee of each and every obligation of the Franchisee under the aforesaid Franchise Agreement, including, without limitation, any indebtedness of the Franchisee arising under or by virtue of the aforesaid Franchise Agreement. The undersigned jointly and severally further agree(s) to be bound by the in-term and post-term covenants set forth in Section 10 and in Paragraph 17.4 of the aforesaid Franchise Agreement.

WITNESS: Signature: ______________________________

______________________________ Printed Name: ___________________________

EXHIBIT "G-FOUR" TO THE FRANCHISE AGREEMENT

STATE AMENDMENT TO FRANCHISE AGREEMENT

EXHIBIT "H" TO THE DISCLOSURE DOCUMENT

FORM OF

AREA DEVELOPMENT AGREEMENT

BARBARAKARES INTERNATIONAL, INC.

AREA DEVELOPMENT AGREEMENT

Effective Date: ______________________________________

Name of Developer: __________________________________

Address of Developer: _________________________________

____

____

Summary of Description of Territory: See Exhibit “H-One”

BARBARAKARES INTERNATIONAL, INC.

AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

EXHIBITS

BARBARAKARES INTERNATIONAL, INC.

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is effective on _______ __, 20__ (the "Agreement Date"). The parties to this agreement are **BarbaraKares International, Inc.**, a Georgia corporation, with its principal office located at 560 West Martin Luther King Dr., Milledgeville, GA 31061 (referred to in this Agreement as "we," "us," "our" or "Franchisor") and ____ whose principal address is ____ (referred to in the Agreement as "you," "your" or "Developer").

1. Introduction.

1.1 BarbaraKares System. We and our affiliate have expended considerable time and effort in developing the "BarbaraKares In-Home Care Services," or sometimes, "BarbaraKares franchise," or "BarbaraKares Franchised Business," franchise featuring among other services and items, the operation of BarbaraKares franchise locations incorporating technology with hands-on personal non-medical, in-home care assistance, and/or companionship care and related services for the operation of an in-home care agency that assists families by providing caregivers in the comfort of the home. Services include specialized resources, guidance, and care tailored to meet the needs of families providing their loved one with personal non medical care. BarbaraKares Franchised Business operate under distinctive business formats, methods, procedures, designs, layouts, signs, equipment, trade dress, standards and specifications, all of which we may improve, further develop or otherwise modify from time to time (the "System").

We use, promote and license certain trademarks, service marks and other commercial symbols in the operation of a BarbaraKares Franchised Business, including the trademarks, service marks and commercial symbols, "**BarbaraKares**" or "**BarbaraKares In-Home Care**," and other associated designs, artwork and trade dress, which have gained and continue to gain public acceptance and goodwill, and may create, use and license additional trademarks, service marks and commercial symbols in conjunction with the operation of BarbaraKares franchises (collectively, the "Marks"). We grant to persons who meet our qualifications and are willing to undertake the investment and effort, the right to develop and operate multiple BarbaraKares Franchised Business located within a defined geographic area.

1.2 Representations. You represent and warrant to us that:

(a) you have read this Agreement and our Franchise Disclosure Document;

(b) you understand that we may modify our current form of franchise agreement from time to time; however, any modifications during the term of this Agreement will not vary the amount of Franchise Fees or Continuing License Fees to be paid by you;

(c) you understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality service and the uniformity of those standards at every BarbaraKares Franchised Business in order to protect and preserve the goodwill of the Marks;

(d) you have conducted an independent investigation of the business venture contemplated by this Agreement and recognize that, like any other business, the nature of the business conducted by BarbaraKares Franchised Business may evolve and change over time;

(e) that an investment in BarbaraKares Franchised Business involves business risks and that the success of the venture is largely dependent upon your business abilities and efforts;

(f) as an inducement to our entry into this Agreement, you have made no misrepresentations in obtaining the development rights granted in this Agreement; and

(g) we have provided to you a copy of our Franchise Disclosure Document and an executable copy of the Franchise Agreement at least 14 calendar days prior to the execution of the Franchise Agreement or our receipt of any consideration from you.

1.3 Confirmation. We expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, sales, profits or success of the business venture contemplated by this Agreement or the extent to which we will continue to develop and expand the network of BarbaraKares Franchised Businesses. You acknowledge that:

(a) any statement regarding the potential or probable revenues, sales or profits of this business venture are made solely in the Franchise Disclosure Document delivered to you prior to signing this Agreement;

(b) any statement regarding the potential or probable revenues, sales or profits of the business venture or statistical information regarding any existing BarbaraKares business owned by us or our affiliate that is not contained in our Franchise Disclosure Document is unauthorized, unwarranted and unreliable and should be reported to us immediately; and

(c) you have not received or relied on any representations about us or our franchising program or policies made by us, or our officers, directors, employees or agents that are contrary to the statements made in our Franchise Disclosure Document or to the terms of this Agreement. If there are any exceptions to any of the foregoing, you agree to: (i) immediately notify our President; and (ii) note such exceptions by attaching a statement of exceptions to this Agreement prior to signing it.

1.4 Business Organization. If you are at any time a business organization ("Business Entity") (like a corporation, limited liability company or partnership) you agree and represent that:

(a) you have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(b) your organizational or governing documents will recite that the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

(c) the Principal Owner's Statement will completely and accurately describe all of your Owners and their interests in you. A copy of our current form of Principal Owner's Statement is attached to the Franchise Disclosure Document;

(d) you and your Owners agree to revise the Principal Owner's Statement as may be necessary to reflect any ownership changes and to furnish such other information about your organization or formation as we may request (no ownership changes may be made without our approval, which will not be unreasonably withheld);

(e) each of your Owners during the term of this Agreement will sign and deliver to us our standard form of Principal Owner's Guaranty undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between you and us. A copy of our current form of Principal Owner's Guaranty is attached to our Franchise Disclosure Document; and

(f) at our request, you will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of your Owners and agents (like articles of incorporation or organization, and partnership, operating or shareholder agreements).

2. Term and Succession.

2.1 Term of Agreement. This Agreement commences on the Agreement Date and expires on the earlier of: (i) the last day of the Development Schedule; or (ii) the Certificate of Occupancy of the last BarbaraKares Franchised Business specified in the Development Schedule. This Agreement may be terminated before it expires in accordance with Section 9 of this Agreement. Upon expiration or termination of this Agreement, you will not have any further rights to acquire franchises to operate BarbaraKares franchises; but you may continue to own and operate all existing BarbaraKares Franchised Business subject to the franchise agreements (the "Franchise Agreement(s)") with us in accordance with their terms.

This Agreement will expire when you have opened the last of the Franchised Locations you are permitted to open under this Agreement, or seven (7) years from the date of this Agreement, whichever occurs first. There are no renewal or successor rights extended to Developer in this Agreement.

2.2 Rights on Expiration or Termination. Upon expiration or termination of this agreement we may then operate or grant other persons' franchises to operate BarbaraKares franchises within the Designated Territory set forth in Exhibit "H-One" attached hereto and made a part hereof. You may continue to own and operate each BarbaraKares Franchised Business then in operation under Franchise Agreements that you have executed with us, subject however, to the terms and conditions of each Franchise Agreement.

3. Development Rights, Obligations and Designated Territory.

3.1 Development Rights – Right of First Refusal. If you are in full compliance with all of the provisions of this Agreement and all of the franchise agreements, then during the term of this Agreement, we will grant to you, pursuant to the terms and conditions of this Agreement, the non exclusive right to enter into franchise agreements with us (the "Franchise Agreements") to open a total number of Franchised Locations within the development territory set forth by map or written description in Exhibit "H-One" of this Agreement (hereinafter "Designated Territory"), and to use our System, Marks and Methods solely in connection with those businesses, at specific locations to be designated in separate Franchise Agreements signed as provided herein and pursuant to the Development Schedule described in Paragraph 3.3.2 of this Agreement ("the Development Schedule"). Each Franchised Location to be developed will be located in the Designated Territory set forth in Exhibit "H-One".

3.2 Rights Retained. Your Designated Territory is non exclusive and we retain the right in our sole and absolute discretion to:

(a) establish and grant our affiliate, subsidiaries or parent entity the absolute right to establish BarbaraKares Franchised Businesses at a specific location or an area within the Designated Territory or to grant other franchisees the right to establish BarbaraKares Franchised Businesses within the Designated Territory, but if other franchisees desire to enter into a Franchise Agreement for a BarbaraKares Franchised Business at a specific location or an area within the Designated Territory we will offer you a right of refusal to open your next scheduled BarbaraKares Franchised Business at that specific location or area within the Designated Territory ("Right of Refusal Area") provided however if your Area Development Agreement for the Designated Territory was executed first in time (the first Area Development Agreement signed within the Designated Territory), your right of refusal shall be a First Right of Refusal for the specific location or area within the Designated Territory. If you entered into an Area Development Agreement second in time for the Designated Territory, your right of refusal shall be a Second Right of Refusal and you will not be offered the Right of Refusal Area unless the Developer with the First Right of Refusal did not accept the Right to Develop the BarbaraKares Franchised Business within the Right of Refusal Area. If there are any Developers which entered into an Area Development Agreement subsequent in time to a preceding Developer, they will be offered a right of refusal for the Right of Refusal Area only if the preceding Developer refused the opportunity to develop the BarbaraKares Franchised Business for the Right of Refusal Area.

You will have seven (7) days from the date of our notice offering you the right to develop your next BarbaraKares Franchised Business in the Right of Refusal Area, to provide us with your written commitment to accept the obligation to open your next BarbaraKares Franchised Business within the Right of Refusal Area and in addition, find a site within sixty (60) days which is acceptable to us and further enter into our Franchise Agreement for the location. After your written acceptance and signing the Franchise Agreement you will have one hundred twenty (120) days from the date of the Franchise Agreement to open the Franchised Location. If the number of BarbaraKares Franchised Businesses in Section 4 of this Agreement is two, then the second BarbaraKares Franchised Business must be opened within one hundred twenty (120) days of the Opening Date of the first BarbaraKares Franchised Business. If the number of BarbaraKares Franchised Business in Section 4 of this Agreement is greater than two, then each BarbaraKares Franchised Business required to be developed must be opened within one hundred twenty (120) days of the Opening Date for each of the preceding BarbaraKares Franchised Business you are required to open in Section 4 of this Agreement;

(b) establish and grant to other franchisees the right to establish BarbaraKares Franchised Businesses anywhere inside or outside the Designated Territory, on such terms and conditions as we deem appropriate (but not within the Protected Territory specified in the Franchise Agreement of any BarbaraKares Franchised Business you operate under this Agreement and continue to operate);

(c) operate and grant franchises to others to operate businesses, whether inside or outside the Designated Territory, specializing in the sale of products or provision of services, other than a Competitive Business or a BarbaraKares Franchised Business, using certain of the Marks and pursuant to such terms and conditions as we deem appropriate;

(d) operate and grant franchises to others to operate businesses, or provide other services, whether inside or outside the Designated Territory, that do not use any of the Marks;

(e) market and sell, inside and outside of the Designated Territory, through channels of distribution other than BarbaraKares Franchised Business (like internet, e-commerce, mail order, retail or convenience stores) or through special purpose sites including military bases, public transportation facilities, airports, and through sites which are covered or closed traffic malls, all of which are designated ("Sites We Reserve"), such Sites We Reserve are not protected and are not part of your Designated Territory; and

(f) purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks other than, while this Agreement is in effect, the Marks, regardless of the location of these businesses and/or facilities, which may be within the Designated Territory or immediately outside its border.

3.3 Development Obligations. During the term of the Agreement, you will at all times faithfully, honestly and diligently perform your obligations and continuously exert your best efforts to promote and enhance the development of BarbaraKares Franchised Businesses within the Designated Territory. Without limiting the forgoing obligations, you agree to do the following:

3.3.1 Separate Agreements. You must sign separate Franchise Agreements for each of the BarbaraKares Franchised Businesses to be opened by you pursuant to and according to the Development Schedule set forth in Paragraph 3.3.2. Each Franchise Agreement to be signed by you will be the then current form of Franchise Agreement used by us in the sale of franchises.

3.3.2 Schedule of Openings. You will sign your first Franchise Agreement at the same time you sign this Agreement and you will have one hundred twenty (120) days from the date of that Franchise Agreement to open your first Franchised Business. The second BarbaraKares Franchised Business must be opened within one hundred twenty (120) days of the Opening Date of the first BarbaraKares Franchised Business. If the number of BarbaraKares Franchised Business in Section 4 is greater than two, then each subsequent BarbaraKares Franchised Business required to be developed must be opened within one hundred twenty (120) days of the Opening Date for each of the preceding BarbaraKares Franchised Businesses until you have opened the total number of Franchised Locations for which you have made payment in accordance with the requirements described in Section 4 of this Agreement. However, you may not acquire a site for any Franchised Business, or otherwise begin construction or improvement of any site for a Franchised Business, until you have signed a Franchise Agreement for that Franchised Business. Further, notwithstanding any provision of this Agreement, we will not be required to sign a Franchise Agreement with you at any time in which you are in default of any provision of this Agreement or of any previously signed Franchise Agreement.

Your BarbaraKares Franchised Businesses will not count towards meeting the Development Quota for any Development Period until they have been fully constructed, developed and have opened operations in accordance with their respective franchise agreements with us. We determine if any BarbaraKares Franchised Business has opened for purposes of meeting the Development Schedule and any Development Quota for any Development Period. If a BarbaraKares Franchised Business is permanently closed after having been opened, you agree to develop and open a substitute BarbaraKares Franchised Business within six (6) months from the date of its permanent closing separate and apart from the Development Schedule.

3.3.3 Designated Operations Executive. Within thirty (30) days after the execution of this Agreement, you must designate one individual as an "Operations Executive." This person will be obligated to devote his or her full time, best efforts and constant personal attention to your BarbaraKares franchise operations. The Operations Executive must have full authority from you to implement our System and Methods at each BarbaraKares Franchised Business. Your designation of the Operations Executive will be subject to our approval, which we will not arbitrarily or unreasonably withhold. The Operations Executive must attend our training program as described in the Franchise Agreements to learn the techniques of operating BarbaraKares Franchised Businesses, furnished by us at the place and time we may designate.

3.4 Effect of Failure. Strict Compliance with the Development Schedule is the essence of this Agreement. If you do not timely meet your Development Quota as of the end of any Development Period shown on the Development Schedule, you will be in default of your obligations under this Agreement. If such a default occurs, it will constitute a material breach of this Agreement and we may then, in our sole discretion, elect to:

(a) terminate this Agreement; or

(b) have the right to operate (directly or through affiliates) or cease granting you franchises for the operation of BarbaraKares Franchised Businesses within the Designated Territory; or

(c) reduce the Designated Territory and the Development Schedule to a size and magnitude that we estimate you are capable of operating otherwise in accordance with this Agreement.

4. Development Fee.

If you are qualified and enter into an Area Development Agreement with us, you must pay a Development Fee when you sign the Area Development Agreement together with the Franchise Agreement for your first location. The amount of the Development Fee depends upon the number of BarbaraKares Franchised Businesses to be opened. The Development Fee for two (2) BarbaraKares Franchised Businesses under the Area Development Agreement is $48,000. The Development Fee for three (3) BarbaraKares franchised locations under the Area Development Agreement is $63,000. The Development Fee for any additional location after the third location is $20,000 for each additional BarbaraKares location to be developed. The second BarbaraKares Franchised Business must be opened within one hundred twenty (120) days from the Opening Date of the first BarbaraKares Franchised Business. The third, fourth and subsequent BarbaraKares Franchised Businesses must be opened within one hundred twenty (120) days of the Opening Date for each of the preceding BarbaraKares Franchised Businesses and you will sign a separate franchise agreement for each location to be opened. The Development Fee is payable in a lump sum, is uniform, non-refundable and fully earned upon receipt.

By your signature immediately below in this Section 4, you are promising to open and operate a total of ___ BarbaraKares Franchised Businesses and you agree to pay a total Development Fee of $______________ when you sign this Agreement.

______________________________	________________________	_______________
Developer's Signature	Developer's Printed Name	Date of Signature

You agree that the grant of rights to you under this Agreement constitute the sole consideration for payment of the Development Fee and that the fee is fully earned by us when due and is nonrefundable.

5. Site Selection/Franchises.

Subject to the provisions of this Agreement, we will grant franchises to you for the operation of BarbaraKares Franchised Businesses to be located within the Designated Territory on the following conditions:

5.1 Site Reports. You agree to submit to us a complete report (containing such information and collateral materials as we require from time to time) for each Site at which you propose to establish and operate a BarbaraKares Franchised Business, before you acquire any interest in it (by lease or purchase). Each Site you submit must be based on your belief that it conforms to the site criteria we establish from time to time.

5.2 Site Evaluation. We will evaluate all proposed Sites and all Sites are subject to our prior written acceptance. You agree that if you are entering into a lease you must enter into an acceptable lease agreement for the approved site. In order for us to accept the lease, you agree to deliver copies of the proposed lease agreement and related documents to us prior to your entering into a lease. You agree not to sign any lease agreement or related documents unless we have previously approved them. Our approval, which will not be unreasonably withheld, will be limited to ensuring that the lease is consistent with this Agreement. If we approve the lease, you agree to deliver a copy of the signed lease within fifteen (15) days after execution.

5.3 Site Acceptance. We may withhold our consent to a Site for any reason we deem to be based on our good faith business judgment. We will, by delivery of written notice to you, accept or reject each Site proposed by you for the operation of a BarbaraKares Franchised Business. We agree to exert commercially reasonable efforts to notify you of our acceptance or rejection within 30 days after we have received the complete site report and other materials we have requested.

5.4 Effect of Acceptance. Our acceptance of the Site (including its location, appearance and size) indicates only that we believe it falls within the acceptable criteria we have established at that time. You acknowledge and agree that:

(a) our acceptance of the Site does not imply, assure, guaranty, warrant or predict profitability or success, express or implied;

(b) Your acceptance of a franchise for the operation of a BarbaraKares Franchised Business at a site you propose is based upon your own independent investigation of the suitability of that location and that Site even though we may provide guidance and assistance to you in selecting the Site for your BarbaraKares Franchised Business.

5.5 Franchise Agreement. If we have accepted, and you have obtained lawful possession of or a formal commitment for the Site, we will offer you a franchise to operate a BarbaraKares Franchised Business at the proposed Site by delivering to you a Franchise Agreement in a form ready for signing by you (or an affiliate). You understand and agree that we may modify the Franchise Agreement from time to time. You (or an affiliate) must sign and deliver the Franchise Agreement to us within 20-days after our delivery of the Franchise Agreement to you. If you (or your affiliate) do not timely sign and return the Franchise Agreement, we may revoke our offer to grant you a franchise to operate a BarbaraKares Franchised Business at the proposed Site. Contemporaneously with the signing of the Franchise Agreement, each of your direct or indirect Owners must sign and deliver to us a Principal Owner's Guaranty in the form attached to the Franchise Agreement.

6. Management of Business.

6.1 Management. You (or, if you are a Business Entity), a person having management rights and powers (e.g., officers, managers, partners, etc.) (the "Operating Partner(s)"), agree to:

(a) supervise the development and operation of BarbaraKares Franchised Business pursuant to this Agreement;

(b) attend such training programs, meetings and conventions which we may offer during the term of this Agreement; and

(c) pay and bear all expenses incurred by you and your Operating Partners(s) in attending such meetings, programs or conventions.

6.2 Management Personnel.

Ownership Interest: As a developer of multiple BarbaraKares Franchised Business, you may not be in a position to have direct, personal day-to-day management responsibility for the BarbaraKares Franchised Business that you will own and operate. However, you understand and acknowledge that each of the BarbaraKares Franchised Businesses that you (or your affiliates) own and operate must be under the oversight, supervision and direction of an Operating Partner who has a direct economic ownership interest (at least 10%) in such BarbaraKares Franchised Business (or the Business Entity that owns and operates it). Accordingly, you agree that each BarbaraKares Franchised Business will be under the oversight and direction of an Operating Partner/Principal who meets all the following qualifications and conditions:

(i) Has ownership interest of at least 10% of the economic interest in such BarbaraKares Franchised Business or Business Entity;

(ii) Has a sufficient amount of experience in managing and operating BarbaraKares Franchised Business in terms of duration, operational responsibilities and previous training and who has satisfactorily completed our training programs so that such person can demonstrate to our satisfaction that he/she is capable of overseeing the operations of a BarbaraKares Franchised Business;

(iii) Has oversight responsibility and authority over the BarbaraKares Franchised Business on a day-to-day basis;

(iv) Is bound by our then-current form of confidentiality and non-competition agreement (or other form of contract satisfactory to us); and

(v) Satisfactorily completes our initial training program, certification and any other training programs we request from time to time.

You will provide to us a copy of the organizational and governing documents for the Business Entity(ies) that demonstrates that the Operating Partner has the requisite ownership interest.

6.3 Joint and Several. If two or more persons are at any time the Developer under this Agreement, their obligations to us are joint and several and the term "you" refers to all of them.

7. Confidential Information/Exclusive Relationship.

7.1 Types of Confidential Information. We possess certain confidential information relating to the development and operation of BarbaraKares Franchised Businesses, which includes but is not limited to the following (collectively, the "Confidential Information"):

(a) the System and the know-how related to its use;

(b) plans, specifications, size and physical characteristics of BarbaraKares Franchised Businesses;

(c) site selection criteria, land use and zoning techniques and criteria;

(d) sources, design and methods of use of equipment, furniture, forms, materials, supplies, Internet or Intranet, "business to business" or "business to customer" networks or communities and other e-commerce methods of business;

(e) marketing (including but not limited to websites, online advertising, social media marketing or presence, digital marketing and sponsorships), advertising and promotional programs for BarbaraKares Franchised Businesses;

(f) staffing and delivery methods and techniques for personal services;

(g) the selection, testing and training of managers and other employees for BarbaraKares Franchised Businesses;

(h) the recruitment, qualification and investigation methods to secure employment for employment candidates;

(i) the Computer software we make available or recommend for BarbaraKares Franchised Businesses;

(j) methods, techniques, formats, specifications, procedures, information and systems related to and knowledge of and experience in the development, operation and franchising of BarbaraKares Franchised Businesses;

(k) knowledge of specifications for and identities of and suppliers of certain products, materials, supplies, furniture, furnishings and equipment;

(l) knowledge of operating results and financial performance of BarbaraKares Franchised Businesses other than those operated by you (or your affiliates); and

(m) pricing, purchase agreements and contracts.

We will disclose certain Confidential Information to you through various manuals and in providing training, guidance and assistance to you from time to time.

7.2 Nondisclosure Agreement. You acknowledge and agree that:

(a) you will not acquire any interest in the Confidential Information, other than the right to utilize it in the development and operation of BarbaraKares Franchised Businesses under the Franchise Agreements during the term of this Agreement, and that the duplication or use of the Confidential Information in any other business would constitute an unfair method of competition; and

(b) the Confidential Information is proprietary, may involve our trade secrets and is disclosed to you solely on the condition that you agree that:

(i) you will not use the Confidential Information in any other business or capacity;

(ii) you will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement;

(iii) you will not make unauthorized copies of any portion of the Confidential Information disclosed via electronic medium, in written form or in other tangible form, including, for example, the Manuals; and

(iv) you will adopt and implement all reasonable procedures that we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information including, restrictions on disclosure to your employees and the use of nondisclosure and noncompetition agreements we may prescribe for employees or others who have access to the Confidential Information.

7.3 Competitive Restrictions. You agree and acknowledge that we would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among BarbaraKares Franchised Businesses if owners of BarbaraKares Franchised Businesses were permitted to hold any interest in any business or facility owning, operating, managing, franchising or licensing any business using of technology in conjunction with hands-on personal non medical-care, in-home care assistance and companionship care services (other than a BarbaraKares Franchised Business under a franchise agreement with us), or business or activity that of any nature offers or sells any service or product or component that comprises part of the BarbaraKares System as defined herein. You also acknowledge that we have entered into this Agreement with you in part upon consideration of and in reliance on your agreement to deal exclusively with us. Therefore, you agree as follows:

(a) **Noncompetition and Non-solicitation:** During the term of this Agreement neither you nor any of your Owners if you are a Business Entity (a "Restricted Person") will:

(i) engage in a Competitive Business or perform services for a Competitive Business, directly or indirectly, as a director, owner, proprietor, officer, manager, employee, consultant, representative, agent, independent contractor or otherwise, except under a franchise agreement with us or our affiliate;

(ii) have any direct or indirect interest, as a disclosed or beneficial owner, in a Competitive Business, except under franchise agreements with us or our affiliate;

(iii) have any direct or indirect interest, as a disclosed or beneficial owner, in any entity which is granted or is granting franchises or licenses to others to operate any

Competitive Business, except BarbaraKares Franchised Businesses under franchise agreements with us or our affiliate; or

(iv) directly or indirectly, on behalf of yourself or any other person, or as an employee, proprietor, owner, consultant, agent, contractor, employer, affiliate, partner, officer, director or associate, or stockholder of any other person or entity, or in any other capacity, solicit, divert, take away, or interfere with any of the business, customers, clients, contractors, referral sources, trade or patronage of ours, our affiliate or our franchisees as such may exist throughout the term of this Agreement.

(b) **Public Companies:** Notwithstanding the foregoing, any aggregate ownership of 5% or less of the issued and outstanding shares of any class of stock of a publicly traded company is not prohibited by the provisions of this Section.

(c) **Confidentiality, Non-solicitation and Noncompetition Agreement:** You must require and obtain, at your expense, execution and delivery to us of restrictive covenants, in the form of Confidentiality, Non-solicitation and Non-competition Agreement attached to the Franchise Disclosure Document from all of your Owners, and any person employed by or under an independent contractor relationship with you who receives or will receive any training by us or you which is directly or indirectly related to the System or involves any of the Confidential Information no later than ten days following the effective date of this Agreement (or, if any individual or entity attains such status after the effective date of this Agreement, within ten days following such individual or entity's attaining such status).

8. Marks and Internet.

8.1 Ownership and Goodwill of Marks. Your right to use the Marks is derived solely from this Agreement and the Franchise Agreements and limited to your operation of the BarbaraKares In-Home Care Services Franchised Businesses at the Sites pursuant to and in compliance with the Franchise Agreements and all System Standards we prescribe from time to time during the term of the Franchise Agreements. Your unauthorized use of the Marks will be a breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that your usage of the Marks and any goodwill established by such use will be exclusively for our benefit and that neither this Agreement nor the Franchise Agreements confer any goodwill or other interests in the Marks upon you (other than the right to operate the BarbaraKares Franchised Businesses in compliance with the Franchise Agreements). All provisions of this Agreement and the Franchise Agreements applicable to the Marks apply to any additional proprietary trade and service marks and commercial symbols we authorize to use.

8.2 Limitations on Your Use of Marks. You agree to use the Marks as the sole identification of the BarbaraKares Franchised Businesses, except that you agree to identify yourself as the independent owner in the manner we prescribe in the Manual or otherwise. We may place or require you to place a conspicuous notice at a place we designate in each of your BarbaraKares Franchised Businesses identifying you as its independent owner and operator. You agree not to remove, destroy, cover or alter that notice without our prior consent. If you do not do so, we may accomplish the notice or identification as we see fit, and you agree to reimburse us for doing so. You may not use any Mark as part of any corporate or legal business name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we license to you), or in any modified form, nor may you use any Mark in connection with the performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing. No Mark may be used in any advertising concerning the transfer, sale or other disposition of any BarbaraKares Franchised Business or an ownership interest in you. You agree to display the Marks prominently in the manner we prescribe at each BarbaraKares Franchised Business, on supplies or materials we designate and in connection with forms and advertising and marketing materials. You agree to give such notices of trade and service mark registrations as we specify and to obtain any fictitious or assumed name registrations required under applicable law.

8.3 Notification of Infringements and Claims. You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark, and you agree not to communicate with any person other than us, our attorneys and your attorneys in connection with any such infringement, challenge or claim. We have sole discretion to take such action as we deem appropriate and the right to control exclusively any litigation, U.S. Patent and Trademark Office proceeding or any other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. You agree to sign any and all instruments and documents, render such assistance and do such acts and things as, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise protect and maintain our interests in the Marks.

8.4 Discontinuance of Use of Marks. If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue the use of any Mark and/or use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We will not be obligated to reimburse you for any direct or indirect loss, including loss of revenue attributable to any modified or discontinued Mark or for any expenditure you make to promote a modified or substitute trademark or service mark.

8.5 Signage. Your signage must comply with all state and local laws and ordinances. You are also to limit your signage to "**BarbaraKares**" or "**BarbaraKares In-Home Care Services.**" The use of any other language is forbidden. If you employ any signage that does not comply with this Agreement, you will be in material breach of this Agreement. The signage must also incorporate the specific letter style, curvature, approved colors and trademark associated with the franchised BarbaraKares In-Home Care Services logo. You must not use a sign that deviates from the standard logo unless and until you have submitted a request for such deviation to us in writing with drawings and we have approved such deviation in writing.

8.6 Internet. You may not maintain a World Wide Web site or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with any BarbaraKares Franchised Business without our prior written approval, which we may withhold for any reason or no reason and in our sole discretion. You agree to submit to us for our approval, before use, true and correct printouts of all Web site pages you propose to use in your Web site connection with the business. You understand and agree that our right of approval of all such Web materials is necessitated by the fact that such Web materials will include and be inextricably linked with the Marks. You may only use material which we have approved. Should we grant you the right to establish a Web site in connection with the business authorized by this agreement, the BarbaraKares Franchised Business web site must conform to all of our Web site requirements, whether set forth in its Manual or otherwise. You agree to provide all hyperlinks or other links that we require. If we grant approval for a Web site, you may not use any of the Proprietary Information at the site except as we expressly permit. You may not post any of our proprietary, confidential or copyrighted material or information on the Web site without our prior written permission. If you wish to modify an approved site, all proposed modifications must also receive our prior written approval. You explicitly understand that you may not post on the Web site any material which any third party has any direct or indirect ownership interest in (including, without limitation, video clips, photographs, sound bites, copyrights, trademarks or service marks, or any other test or image which any third party may claim intellectual property ownership interests in). You agree to list on the Web site, should we ever grant you the right to have a Web site in connection with any aspect of this Agreement, any Web site maintained by us, and any other information we require in the manner we dictate. You agree to obtain our prior written approval for any Internet domain name and/or home page address. The requirement for our prior approval set forth in this Paragraph will apply to all activities on the Internet or other communications network to be conducted by you, except that you may maintain one or more E-mail addresses and may conduct individual E-mail communications with our prior written approval. You agree to obtain our prior approval as provided above if you propose to send advertising to multiple addresses via E-mail.

8.7 Protection Against Social Media Networking. You understand and agree that you are strictly prohibited from promoting or using the Marks in any manner on any social and/or networking websites, including but not limited to, Facebook, LinkedIn, My Space, Twitter (X), Instagram, Vine, Tumblr, Snapchat, or any other platform, including but not limited to any online advertising, digital marketing and sponsorships without our prior written consent.

9. Termination.

9.1 Termination Upon Notice.

We may terminate this Agreement, effective on delivery of notice of termination to you, if:

(a) you fail to meet your obligations in accordance with the Development Schedule (unless we exercise other remedies under Paragraph 3.4 (b)-(c));

(b) you (or, if you are a Business Entity, any Operating Partner/Principal or any Owner) make an unauthorized assignment or transfer of this Agreement, an ownership interest in you or any interest in any affiliate's BarbaraKares Franchised Business or Franchise Agreement granted pursuant to this Agreement;

(c) you (or, if you are a Business Entity, any Operating Partner/Principal or any Owner) have made any material misrepresentation or omission in your application for the development rights conferred by this Agreement;

(d) you (or, if you are a Business Entity, any Operating Partner/Principal or any Owner) are or have been convicted of, or plead, or have pleaded no contest, or guilty, to a felony or other serious crime or offense that is likely to adversely affect your reputation, our reputation or the reputation of any other BarbaraKares Franchised Business;

(e) you (or, if you are a Business Entity, any Operating Partner/Principal or any Owner) make any unauthorized use of the Marks, fail to comply with our Internet restrictions or any unauthorized use or disclosure of the Confidential Information;

(f) you fail to make payments of any amounts due to us or our affiliate under this Agreement or any other agreement that you have with us (including any Franchise Agreement), and do not correct such failure within 10 days after written notice of such failure is delivered to you;

(g) you fail to perform or observe any provision of any lease or sublease for any Site, any financing document for any Site or any lease or financing document for any of the approved Operating Assets or BarbaraKares In-Home Care Services Materials (as defined in the Franchise Agreement) and do not correct such failure within the applicable cure period;

(h) you fail to open your first BarbaraKares Franchised Business within 120 days following the effective date of this Agreement;

(i) you do not enter into a franchise agreement within 15 days after you have obtained lawful possession of a lease for or a contract to purchase a Site;

(j) you, or one of your principal Owners, make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; your business, or a principal Owner's business, is attached, seized, subjected to a warrant or levied upon, unless such attachment, seizure, warrant or levy is vacated within 30 days; or any order appointing a receiver, trustee or liquidator of you, or a principal Owner, or the business of any of them is not vacated within 30 days following the entry of such order (You must notify us in writing within 10 days of any of the events listed in this Section 9.1(j));

(k) you, or any of your principal Owners, engage in any dishonest or unethical conduct which may adversely affect the reputation of BarbaraKares Franchised Businesses or the goodwill associated with the Marks;

(l) you fail to comply with any other provision of the Agreement or any provision of any other agreement you have with us (including any Franchise Agreement), after we have notified you of the failure whether or not such failures to comply are corrected after notice of the failure is delivered to you;

(m) you fail on 2 or more separate occasions within any 12 consecutive month period or on 3 occasions during the term of this Agreement to comply with this Agreement or any other agreement you have with us (including any Franchise Agreement), after we have notified you of the failure whether or not such failures to comply are corrected after notice of the failure is delivered to you; or

(n) we have delivered to you (or an affiliate) a notice of termination of a Franchise Agreement in accordance with its terms and conditions or you (or your affiliates) have terminated a Franchise Agreement without cause, as defined in such agreement.

9.2 Cross-Default. Any default or breach by you, your affiliates and/or any guarantor of yours of any other agreement between us or our affiliate and you and/or such other parties will be deemed a default under this Agreement, and any default or breach of this Agreement by you and/or such other parties will be deemed a default or breach under any and all such other agreements between us or our affiliate and you, your affiliates and/or any guarantor of yours. If the nature of the default under any other agreement would have permitted us (or our affiliate) to terminate this Agreement if the default had occurred under this Agreement, then we will have the right to terminate all such other agreements in the same manner provided for in this Agreement for termination hereof. Your "affiliates" means any persons or entities controlling, controlled by or under common control with you.

10. Effect of Termination and Expiration.

10.1 Continuing Obligations. All of the obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement, until they are satisfied in full or by their nature expire. Within 5 days immediately following termination or expiration of this Agreement for any reason, you must pay to us all fees or other amounts due us under this Agreement, or any other agreement, note, or obligation between you and us.

10.2 Post-Term Competitive Restrictions. Upon termination or expiration of this Agreement for any reason, you and your Owners and guarantors agree that, for a period of 2 years commencing on the effective date of termination or expiration, no Restricted Person will have any direct or indirect interest (e.g. through a spouse, child, or other family member) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, member, manager, representative or agent or in any other capacity in any Competitive Business operating:

(a) at any Site or within the Designated Territory;

(b) within 25 miles of any Site or the Designated Territory; or

(c) within 25 miles of any other BarbaraKares franchisee's Franchised Business in operation or under construction on the later of the effective date of the termination or expiration.

If any Restricted Person refuses voluntarily to comply with the foregoing obligations, the 2-year period will commence with the entry of an order of an arbitrator, or court if necessary enforcing this provision. Each Restricted Person expressly acknowledges that he/she possesses skills and abilities of a general nature and has other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living. You acknowledge and agree that the time and geographic restrictions contained in this Section are reasonable and necessary to protect our interests and investments and do not and will not unduly burden you or deprive you of your ability to earn a living. You acknowledge and agree that any claim you have, or may have arising from this Agreement, or otherwise have or may have against us will not constitute a defense to our enforcement of the restrictive covenants contained in this Agreement.

10.3 Grant of Franchises. Upon termination or expiration of this Agreement for any reason, your rights under this Agreement will terminate and you agree to immediately and permanently cease your development activities. We will then have no further obligation to grant you additional franchises for BarbaraKares locations and will be free to operate, or grant other persons franchises to operate BarbaraKares Franchised Businesses within the Designated Territory.

10.4 Marks and Confidential Information. Except in connection with BarbaraKares Franchised Businesses you are then operating under Franchise Agreements, or with respect to which a Franchise Agreement has been signed, you agree to immediately and permanently cease use, by advertising or in any manner whatsoever, the Marks and the Confidential Information; slogan, trademarks, trade names, service marks, designs, trade dress or logos which are similar in nature to the Marks; or any equipment, materials, forms, confidential methods, procedures, and techniques associated with or similar to the System or which display the Marks or any other distinctive forms, slogans, signs, symbols, trade dress or devices associated with or belonging to us.

11. Transfers.

11.1 By Us. This Agreement is fully transferable by us and inures to the benefit of any assignee or other legal successor to our interest, as long as such assignee or successor agrees to be bound by, and assumes all of our continuing obligations under it.

11.2 By You. You understand and acknowledge that the rights and duties created by this Agreement are personal to you (or, if you are a corporation, corporation or partnership, your Owners) and that we have granted this Agreement in reliance upon our perceptions of the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of you (or, if you are a Business Entity, your Owners). Therefore, neither this Agreement (or any interest therein) nor any part or all of the ownership of you may be transferred by you or your Owners without our prior written approval. Any such transfer without our prior written approval constitutes a breach of this Agreement and will convey no rights, or interests, in this Agreement. As used in this Agreement, the term "transfer" includes your (or your Owners') voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition of any interest in: (a) this Agreement; (b) you; or (c) any of the Franchise Agreements.

11.3 Transfer to a Business Entity. Notwithstanding Section 11.2, if you are in full compliance with this Agreement, we may permit you to transfer this Agreement to a Business Entity that conducts no business other than your BarbaraKares Franchised Businesses so long as you own, control and have the right to vote all of its issued and outstanding ownership interests (like stock or partnership interests) and you guarantee its performance under this Agreement. Furthermore, you may not transfer any ownership interest to anyone who does not meet our approval. All owners of every BarbaraKares Franchised Business and of any Business Entity must meet our approval. The organizational or governing documents of the business organization must recite that the issuance and transfer of any ownership interest in the business organization are restricted by the terms of this Agreement, are subject to our approval, and all certificates or other documents representing ownership interests in the business organization must bear a legend referring to the restriction of this Agreement. As a condition of our approval of the issuance or transfer of ownership interests to any person other than you, we may require (in addition to the other requirements we have the right to impose) that the proposed owner execute an agreement, in a form provided or approved by us, agreeing to be bound jointly and severally by, to comply with, and to guarantee the performance of, all of your obligations under this Agreement and sign a General Release used in the then current disclosure document.

11.4 Conditions for Approval of Transfer.

(a) Application: If you (or, if you are a Business Entity, your Owners) are in full compliance with this Agreement and all of the Franchise Agreements, we will not unreasonably withhold our approval of a transfer that meets all the applicable requirements of this Section. The proposed transferee and its owners must be individuals of good moral character and otherwise meet our then applicable standards for developers of BarbaraKares locations.

(b) Development Rights: If the transfer of the development rights granted under this Agreement or a controlling interest in the Developer, or is one of a series of transfers which in the aggregate constitute the transfer of the development rights granted under this

Agreement or a controlling interest in the Developer, all of the following conditions must be met prior to or concurrently with the effective date of the transfer:

(i) the transferee must have sufficient business experience, aptitude and financial resources to operate your franchised business and develop the Designated Territory, and must either already own a BarbaraKares Franchised Business or is acquiring one or more of them in association with the transfer;

(ii) you agree to pay us all amounts owed to us or our affiliate, if any, which are then due and unpaid and submit all required reports and statements which have not yet been submitted, under this Agreement, any Franchise Agreement or any other agreement between you (or an affiliate) and us (or our affiliate);

(iii) the transferee and/or the transferee's personnel must agree to complete our initial training program to our satisfaction;

(iv) the transferee must meet our current owner criteria and agree to be bound by and expressly assume all of the terms and conditions of this Agreement for the remainder of its term;

(v) you (and your Owners) must execute a general release, in the form attached to the Franchise Disclosure Document, of any and all claims against us and our officers, directors, employees and agents;

(vi) we must approve the material terms and conditions of such transfer including, without limitation, that the price and terms of payment are not so burdensome as to affect adversely the future development of the Designated Territory and the operation of BarbaraKares Franchised Businesses in it;

(vii) if the transferee finances any part of the sale price of the transferred interest, you (and your Owners) must agree that all obligations of the transferee under or pursuant to any promissory notes, agreements or security interests reserved by you (or your Owners) must be subordinate to transferee's obligations to us to comply with this Agreement or Franchise Agreements executed by the transferee; and

(viii) all Restricted Persons must sign and deliver to us an agreement in which they will comply with the competitive restrictions contained in Paragraph 10.2 of this Agreement for 2 years commencing on the effective date of the transfer.

In connection with any transfer permitted under this Section, you agree to provide us with all documents to be signed by you and the proposed assignee or transferee at least 30 business days prior to signing.

11.5 Right of First Refusal. If you (or your Owners) at any time determine to transfer this Agreement (as defined above), you will obtain a bona fide, signed written offer, an earnest money deposit (in the amount of 5% or more of the offering price) from a responsible and fully disclosed purchaser and submit an exact copy of such offer to us. The offer must apply only to an interest in this Agreement or you. It must not include the purchase of any other property or rights of you (or your Owners). The offer must completely describe the purchase price, payment terms, terms of the assumption of liabilities and all other material terms of the transfer (including all exhibits and other information so that we may readily determine the foregoing). Within 30 days from the date we receive the copy of such offer, we may purchase your rights under this Agreement and the assets of your business on the terms and conditions contained in the offer provided to us, except that:

(a) we may substitute cash for any form of payment proposed in the offer (with a discounted amount if an interest rate will be charged on any deferred payments);

(b) our credit will be deemed equal to the credit of any proposed purchaser;

(c) we will have no less than 90 days to prepare for a closing; and

(d) we are entitled to receive, and you and your Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or with the capital stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to:

(i) ownership and condition of and title to stock or other forms of ownership interests and/or assets;

(ii) liens and encumbrances relating to the stock or other ownership interests and/or assets; and

(iii) validity of contracts and the liabilities contingent or otherwise of the corporation or other legal entity whose stock or ownership rights are being purchased.

The 30-day period will not commence until you have delivered to us full and complete documentation to enable us to fully evaluate the offer.

If we exercise our right of first refusal, you and your selling Owner(s) agree that, for a period of 2 years commencing on the date of the closing, you and they will be bound by the competitive restrictions contained in Paragraph 10.2 of this Agreement.

If we do not exercise our right of first refusal, you or your Owners may complete the transfer on the terms contained in the offer, subject to our approval of the transfer as described in this Section of this Agreement. If the transfer as described in the offer is not completed within 120 days after delivery of the offer to us, or if there is a material change in the terms of the transfer, we will again have the right of our first refusal as described in this Agreement.

11.6 Death or Permanent Disability. Upon your death or permanent disability or that of one of your Owners, the executor, administrator, conservator or other personal representative of such person must transfer his or her interest within a reasonable time, not to exceed 6 months from the date of death or permanent disability, to a third party approved by us. Such transfer, including, without limitation, transfer by devise or inheritance, is subject to all the conditions for transfers contained in Paragraph 11.4 and unless transferred by gift, devise or inheritance, subject to the terms of Paragraph 11.5. Failure to dispose of such interest within that time period constitutes a breach of this Agreement. Our consent to a transfer of any interest subject to the restrictions of this Section does not constitute a waiver of any claims we may have against the assignor; nor will it be deemed a waiver of our right to demand the assignee's exact compliance with any of the terms or conditions of this Agreement or any Franchise Agreements.

11.7 Public Offerings of Securities. Notwithstanding any other provisions of this Agreement, you agree not to, without our prior written consent, sell or offer to sell any of your securities if such sale or offer would be required to be registered pursuant to the provisions of the Securities Act of 1933, as amended, and the rules and regulations pursuant thereto, or the securities laws of any other state or territory of the United States of America or of any other jurisdiction. All advertisements or promotional materials must be previously approved by us. You may not use any advertising or promotional materials that we have disapproved.

11.8 Franchise Transfers. A transfer of any BarbaraKares Franchised Business developed pursuant to this Agreement may be made only in connection with the transfer of the Franchise Agreement for such BarbaraKares Franchised Business, and a transfer of the Franchise Agreement for any such BarbaraKares Franchised Business may be made only in connection with the transfer of all interests of yours in such franchised BarbaraKares location (or the affiliate that owns such BarbaraKares Franchised Business). A transfer must comply with all of the requirements for a transfer set forth in the Franchise Agreement.

12. Relationship of the Parties/Indemnification.

12.1 Independent Contractors. You and we understand and agree that this Agreement does not create a fiduciary relationship between the parties. We and you are independent contractors. Nothing in this Agreement is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose. You agree to conspicuously identify yourself in all dealings as the owner of development rights granted under an Area Development Agreement with us in the ways we specify for doing so. You agree to place notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time.

12.2 No Liability for Acts of Other Party. You agree not to employ any of the Marks in signing any contract or applying for any license or permit or in a manner that may result in our liability for any of your indebtedness or obligations. You agree to not use the Marks in any way not expressly authorized by this Agreement or the Franchise Agreements. Except as expressly authorized in writing, neither you nor we will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other or be obligated by or have any liability under any agreements or representation made by the other. We will not be obligated for any damages to any person or property directly or indirectly arising out of the operations of your business authorized by or conducted pursuant to this Agreement.

12.3 Taxes. We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, payroll, property or other taxes, whether levied upon you or your assets or upon us, arising in connection with the business conducted by you pursuant to this Agreement or any Franchise Agreement. Payment of all such taxes is solely your responsibility.

12.4 Indemnification. You agree to indemnify, defend and hold us, our affiliate and our respective shareholders, directors, officers, employees, agents, successors and assignees (the "Indemnified Parties") harmless from and against and to reimburse them for all claims, obligations and damages described in this Section, any and all taxes described in Paragraph 12.3 of this Agreement and any and all claims and liabilities directly or indirectly arising out of the operation of your business (even if our negligence is alleged, but not proven), your breach of this Agreement or your use of the Marks in any manner not in accordance with this Agreement. For purposes of this indemnification, "claims" means and includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties including, without limitation, reasonable costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. The Indemnified Parties have the right to defend any such claim against them in such manner as they deem appropriate or desirable in their sole discretion. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

13. Enforcement.

13.1 Severability; Substitution of Valid Provisions. Except as otherwise stated in this Agreement, each provision of this Agreement, and any portion of any provision, are severable. The remainder of this Agreement will continue in full force and effect. To the extent that any provision restricting your competitive activities is deemed unenforceable, you and we agree that such provisions will be enforced to the fullest extent permissible under governing law. This Agreement will be deemed automatically modified to comply with such governing law if any applicable law requires: (a) a greater prior notice of the termination of or refusal to renew this Agreement; or (b) the taking of some other action not described in this Agreement; or (c) if any System Standard is invalid or unenforceable. We may modify such invalid or unenforceable provision to the extent required to be valid and enforceable. In such event, you will be bound by the modified provisions.

13.2 Waivers. We will not be deemed to have waived our right to demand exact compliance with any of the terms of this Agreement, even if at any time: (a) we do not exercise a right or power available to us under this Agreement; or (b) we do not insist on your strict compliance with the terms of this Agreement; (c) there develops a custom or practice which is at a variance with the terms of this Agreement; or (d) if we accept payments which are otherwise due to us under this Agreement. Similarly, our waiver of any particular breach or series of breaches under this Agreement or of any similar term in any other agreement between you and us and any other franchise owner, will not affect our rights with respect to any later breach by you or anyone else. Any waiver we may grant to you will, without any prejudice to you and without any obligation on our part to compensate you, be subject to our continuing review, and may be revoked by us, at any time and for any reason, effective upon our notice to you of our revocation of the waiver.

13.3 Limitation of Liability. Neither we nor you will be liable for loss or damage or deemed to be in breach of this Agreement if failure to perform obligations results from:

(a) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal government or any department or agency thereof;

(b) acts of God, terror, war or similar events; or

(c) acts or omissions of a similar event or cause.

However, such events or delays do not excuse payments of amounts owed at any time.

13.4 Approval and Consents. Whenever this Agreement requires our advance approval, agreement or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing. If we provide to you any waiver, approval, consent, or suggestion, or if we neglect or delay our response or deny any request for any of those, we will not be deemed to have made any warranties or guarantees which you may rely on, and will not assume any liability or obligation to you.

13.5 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*.) and the United States Arbitration Act, this Agreement and our relationship shall be governed by the laws of Georgia.

Developer waives any and all rights, actions or claims for relief under the Federal Act entitled "Racketeer Influenced and Corrupt Organizations", 18 U.S.C. Section 1961, *et seq*.

13.6 Judicial Enforcement, Injunction, and Specific Performance. Notwithstanding the provisions of Paragraphs 13.7 and 13.8, we shall be entitled, without bond, to the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to your use of the Marks, your obligation upon termination or expiration of the Agreement, and any Transfer by you of this Agreement and ownership of Developer. If we secure any such injunction or order of specific performance, you agree to pay us an amount equal to the aggregate of our cost of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, and any damages incurred by us as a result of the breach of any such provision.

13.7 Mediation. The parties hereto agree that before resorting to binding arbitration, that if any dispute arises between the parties hereto, any affiliated companies thereof or any of their officers, directors, partners, relating to anything other than the matters set forth in Paragraphs 7.3, 10.2 and 13.6, the parties hereto agree to first try in good faith before resorting to arbitration, to settle the dispute by mediation in Milledgeville, Georgia, administered by the American Arbitration Association under its Commercial Mediation Rules and initiated at and supervised by the American Arbitration Association, unless agreed otherwise by the parties. Disputes subject to mediation shall be all controversies, claims, and matters from the beginning of time, whether contractual or tort in nature, except for those matters specifically excluded in Paragraphs 7.3, 10.2 and 13.6. The party who seeks resolution of a controversy, claim or dispute or other matter in question shall notify the other party and the American Arbitration Association office in writing of the existence and subject matter of such controversy, claim or dispute. Unless mutually agreed otherwise, the parties shall meet with the mediator within thirty (30) days after the recipient party has received notice of the dispute, and agree to utilize their best efforts and all expediency to resolve the matters in dispute. The mediation shall not continue longer than one (1) day without the written approval of both parties. Neither party shall be bound by any recommendation of the mediator; however, any agreement reached during mediations shall be final and conclusive. The expense of mediation shall be shared equally by both parties. The parties' obligation to mediate will be deemed to be satisfied after one (1) hearing day or 60 days after mediation demand has been made if any party fails to appear or participate in good faith in the mediation.

We and you each agree that the mediation process is negotiation for the purpose of compromise. All offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation process by any of the parties, their agents, employees, experts and attorneys, shall be confidential. You acknowledge that we may require you to execute a confidentiality agreement pertaining to the mediation process. Notwithstanding the foregoing, evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or not discoverable as a result of its use in the mediation process.

In the event the parties are unable to reach an agreement by mediation, then in that event all disputes, controversies, claims or causes of action shall be submitted to binding arbitration pursuant to Paragraph 13.8 hereinafter.

13.8 Arbitration. All disputes and claims relating to any provision of this Agreement (other than as set forth in Paragraph 13.6 above, "Judicial Enforcement, Injunction and Specific Performance"), any specification, standard, operating procedure, or rule or any other obligation of Developer prescribed by us or any obligation of us, or the breach thereof (including, without limitation, any claim that this Agreement, any provision hereof, any specification, standard, operating procedure, rule or any other obligation of Developer or us is illegal or otherwise unenforceable or voidable under any law, ordinance, or ruling) shall be settled by arbitration in Milledgeville, Georgia, or if we shall no longer maintain an office in Milledgeville, Georgia, then our home office. Arbitration shall be conducted in accordance with the United States Arbitration Act (9 U.S.C. Section 1, *et seq*.), if applicable, and the Rules of the American Arbitration Association (relating to the arbitration of disputes arising under franchise and license agreements, if any, otherwise, the general rules of commercial arbitration), provided that the arbitrator shall award, or include in his/her award, the specific performance of this Agreement, and the arbitrator shall issue a written opinion explaining the reasons for his/her decision and award. If a claim for amounts owed by Developer to us is asserted in the arbitration proceeding and if we shall prevail on such claim, we shall be entitled to so much of our cost and expenses including accounting and legal fees, as are attributable to the prosecution thereof. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof or of us or of Developer. During the pendency of an arbitration proceeding hereunder, the parties hereto shall fully perform and comply with the provisions of this Agreement.

13.9 Third Party Beneficiaries. Our officers, directors, shareholders, agents, and/or employees are express third party beneficiaries of the arbitration provisions in Paragraph 13.8, each having authority to specifically enforce the right to arbitrate claims asserted against such person(s) by Developer.

13.10 Class Claims. Developer agrees that any arbitration between Developer and us will be Developer's individual claim and that the claim or claims subject to arbitration shall not be arbitrated on a class-wide basis.

The parties hereto agree that this Agreement may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this Agreement and all Riders, Amendments or Addenda hereto. You are not entitled to challenge the validation or authenticity of the electronic signature or the document on the ground that it is not the original.

13.11 Binding Effect. This Agreement is binding on and will inure to the benefit of our successors and assigns. Except as otherwise provided in this Agreement, this Agreement will also be binding on your successors and assigns, and your heirs, executors and administrators.

13.12 Entire Agreement. This agreement, including the introduction, addenda and exhibits to it, constitutes the entire agreement between you and us. There are no other oral or written understandings or agreements between you and us concerning the subject matter of this Agreement. Notwithstanding the foregoing, nothing in the Agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. Except as expressly provided otherwise in this Agreement, this Agreement may be modified only by written agreement signed by both you and us.

13.13 No Liability to Others; No Other Beneficiaries. We will not, because of this Agreement or by virtue of any approvals, advice or services provided to you, be liable to any person or legal entity who is not a party to this Agreement. Except as specifically described in this Agreement, no other party has any rights because of this Agreement.

13.14 Construction. The headings of the sections and paragraphs are for convenience only. If two or more persons are at any time operating as the Developer hereunder, whether or not as partners or joint venturers, their obligations and liabilities to us are joint and several. This Agreement may be signed in multiple copies, each of which will be an original.

13.15 Certain Definitions. The term "family member" refers to parents, spouses, offspring and siblings, and the parents and siblings of spouses. The term "affiliate" means any Business Entity directly or indirectly owned or controlled by a person, under common control with a person or controlled by a person. The terms "developer, franchisee, franchise owner, you and your" are applicable to one or more persons, a Business Entity, as the case may be. The singular use of any pronoun also includes the plural and the masculine and neuter usages include the other and the feminine. The term "person" includes individuals and Business Entities. The term "Section" or "Paragraph" refers to a section, subsection or paragraph of this Agreement. The word "control" means the power to direct or cause the direction of management and policies. The word "Owner" means: any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in another person (or a transferee of this Agreement or an interest in you), and the officers, directors, partners, members or holders of a beneficial interest in any person who has 5% or more direct or indirect beneficial interest in you or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself/herself any legal or equitable interest, in the revenue, profits, rights or assets.

13.16 Time is of the Essence. It will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement. In computing time periods from one date to a later date, the words "from" and "commencing on" (and the like) mean "to but excluding." Indications of time of day mean Milledgeville, Georgia time.

13.17 Notices and Payments. All written notices and reports permitted or required under this Agreement or by the Manuals will be deemed delivered:

(a) 2 business days after being placed in the hands of a commercial airborne courier service for next business day delivery; or

(b) 3 business days after placement in the United States mail by certified mail, return receipt requested, postage paid.

We may direct notices to your affiliates to you. All such notices must be addressed to the parties as follows:

If to Us: BarbaraKares International, Inc.
560 West Martin Luther King Dr.
Milledgeville, GA 31061

If to You: ______________________________________

____

____

Attention: ______________________________________

Either you or we may change the address for delivery of all notices and reports and any such notice will be effective within 10 business days of any change in address. Any required payment or report not actually received by us during regular business hours on the date due (or postmarked by postal authorities at least 2 days prior to such date, or in which the receipt from the commercial courier service is not dated prior to 2 days prior to such date) will be deemed delinquent.

14. Merger, Acquisition or Affiliation.

You agree that we have the right, now, or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "BarbaraKares businesses" operating under the Marks or any proprietary marks or any of their marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which Developer acknowledges may be within its " Designated Territory", proximate thereto, or proximate to any of the BarbaraKares businesses).

We will have the right to assign this Agreement, and all of our rights and privileges under this Agreement, to any person, firm, corporation or other entity.

You agree and affirm that we may sell ourselves, our assets, name and Marks or other proprietary marks and/or our system to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claim, demand, or damages arising from or related to the loss of our name, and Marks, proprietary marks (or any variation thereof) and system and/or the loss of association with or identification of "BarbaraKares" or "BarbaraKares In-Home Care Services" under this Agreement. You specifically release any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the BarbaraKares or BarbaraKares In-Home Care Services franchise business or any business which we now conduct or to offer to sell any items, products or services to Developer or any BarbaraKares Franchised Business.

[Signatures on page that follows.]

The parties to this Agreement now sign and deliver this Agreement in 2 counterparts effective as of the date shown on page 1, regardless of the actual date of signature.

FRANCHISOR	**DEVELOPER**
BARBARAKARES INTERNATIONAL, INC.	____________________________________
By:__________________________________	**By:**__________________________________
______________________________________	______________________________________
(Printed Name)	(Printed Name)
Its: __________________________________ (Title)	**Its:** __________________________________ (Title)
Date:________________________________	**Date:**________________________________

EXHIBIT "H-ONE" TO THE AREA DEVELOPMENT AGREEMENT

DESIGNATED TERRITORY

EXHIBIT “H-ONE” TO THE AREA DEVELOPMENT AGREEMENT

DESIGNATED TERRITORY

Description of Designated Territory:

or if appropriate check here □ for Map describing Designated Territory and attach the Map to this Exhibit H-One”

EXHIBIT “H-TWO” TO THE AREA DEVELOPMENT AGREEMENT

STATE AMENDMENT TO AREA DEVELOPMENT AGREEMENT

EXHIBIT “I” TO THE DISCLOSURE DOCUMENT

FORM OF

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

THIS CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS (this "**Assignment")** is effective as of _______________, 20__, between **BarbaraKares International, Inc.,** a Georgia corporation, with its principal place of business at 560 West Martin Luther King Dr., Milledgeville, GA 31061 ("**Franchisor**," "**Assignee**," "**we**," "**us**" or "**our**") and ____ whose current place of business is ____ ("**Franchisee**," "**Assignor**," "**you**" **or "your**"). You and we are sometimes referred to collectively as the "**parties"** or individually as a "**party".**

BACKGROUND INFORMATION

We have simultaneously entered into a Franchise Agreement (the "**Franchise Agreement"**) dated as of _________________, 20__ with you, pursuant to which you plan to own and operate a franchise to operate as a BarbaraKares In-Home Care Services franchise. We use, among other things, certain proprietary, procedures, formats, systems forms, printed materials, applications, methods, specifications, standards and techniques we authorize or develop (collectively the "**System**"). We identify BarbaraKares International, Inc. franchises and various components of the System by certain trademarks, trade names, service marks, trade dress and other commercial symbols (collectively the "**Marks**"). In order to protect our interest in the System and the Marks, we will have the right to control the telephone numbers and listings of the BarbaraKares International, Inc. franchise if the Franchise Agreement is terminated.

OPERATIVE TERMS:

You and we agree as follows:

1. **Background Information**: The background information is true and correct. This Assignment will be interpreted by reference to the background information. Terms not otherwise defined in this Assignment will have the meanings as defined in the Franchise Agreement.

2. **Conditional Assignment**: You assign to us, all of your right, title and interest in and to the following telephone numbers _______________________________ (specified when obtained) and any other telephone numbers and regular, classified or other telephone directory listings (collectively, the "**Numbers and Listings**") associated with the Marks and used from time to time in connection with the operation of the BarbaraKares In-Home Care Services Franchised Business. We will have no liability or obligation of any kind whatsoever arising from or in connection with the Assignment, unless we notify the telephone company and/or the listing agencies with which you have placed telephone directory listings (collectively, the "**Telephone Company**") to effectuate the assignment of the Numbers and Listings to us. Upon termination or expiration of the Franchise Agreement we will have the right and authority to ownership of the Numbers and Listings. In such event, you will have no further right, title or interest in the Numbers and Listings and will remain liable to the Telephone Company for all past due fees owing to the Telephone Company on or before the date on which the assignment is effective. As between the parties, upon termination or expiration of the Franchise Agreement, we will have the sole right to and interest in the Numbers and Listings.

3. **Power of Attorney**: You irrevocably appoint us as your true and lawful attorney-in-fact to: (a) direct the Telephone Company to effectuate the assignment of the Numbers and Listings to us; and (b) sign on your behalf such documents and take such actions as may be necessary to effectuate the assignment. Notwithstanding anything else in the Assignment, however,

you will immediately notify and instruct the Telephone Company to effectuate the assignment described in this Assignment to us when, and only when: (i) the Franchise Agreement is terminated or expires; and (ii) we instruct you to so notify the Telephone Company. If you fail to promptly direct the Telephone Company to effectuate the assignment of the Numbers and Listings to us, we will direct the Telephone Company to do so. The Telephone Company may accept our written direction, the Franchise Agreement or this Assignment as conclusive proof of our exclusive rights in and to the Numbers and Listings upon such termination or expiration. The assignment will become immediately and automatically effective upon Telephone Company's receipt of such notice from you or us. If the Telephone Company requires that you and/or we sign the Telephone Company's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, our signature on such forms or documentation on your behalf will effectuate your consent and agreement to the assignment. At any time, you and we will perform such acts and sign and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement. The power of attorney conferred upon us pursuant to the provisions set forth in this Assignment is a power coupled with an interest and cannot be revoked, modified or altered without our consent.

4. **Indemnification**: You will indemnify and hold us and our affiliate, stockholders, directors, officers, members, and representatives (collectively, the "**Indemnified Parties**") harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses that any of the Indemnified Parties incur as a result of any claim brought against any of the Indemnified Parties or any action which any of the Indemnified Parties are named as a party or which any of the Indemnified Parties may suffer, sustain or incur by reason of, or arising out of, your breach of any of the terms of any agreement or contract or the nonpayment of any debt you have with the Telephone Company.

5. **Binding Effect**: This Assignment is binding upon and inures to the benefit of the parties and their respective successors-in-interest, heirs, and successors and assigns.

The parties hereto agree that this Agreement may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this Agreement and all Riders, Amendments or Addenda hereto. You are not entitled to challenge the validation or authenticity of the electronic signature or the document on the ground that it is not the original.

6. **Assignment to Control**: This Assignment will govern and control over any conflicting provision in any agreement or contract which you may have with the Telephone Company.

7. **Attorneys' Fees, Etc**.: In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment or the enforcement thereof, the prevailing party will be entitled to reimbursement of its attorneys' fees, costs and expenses from the non-prevailing party. The term "attorneys' fees" means any and all charges levied by an attorney for his or her services including time charges and other reasonable fees including paralegal fees and legal assistant fees and includes fees earned in settlement, at trial, appeal or in bankruptcy proceedings and/or in arbitration proceedings.

8. **Severability**: If any of the provisions of this Assignment or any section or subsection of this Assignment or any section or subsection of this Assignment is held invalid for

any reason, the remainder of this Assignment or any such section or subsection will not be affected, and will remain in full force and effect in accordance with its terms.

9. **Governing Law Forum**: This Assignment is governed by Georgia Law. The parties will not institute any action arising out of this Assignment against any of the other parties to this Assignment except in the state or federal court of competent jurisdiction in Milledgeville, Georgia, and they irrevocably submit to the jurisdiction of such courts and waive any objection they may have to either the jurisdiction or venue of such court.

ASSIGNOR:	**ASSIGNEE:**
	BARBARAKARES INTERNATIONAL, INC.
By: ______________________________	By: ________________________________
Name: ___________________________	Name: ______________________________
Title: _____________________________	Title: ______________________________
Date: _____________________________	Date: ______________________________

THIS CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS is accepted and agreed to by:

(TELEPHONE COMPANY)

By: ________________________________

Name: ______________________________

Its: ________________________________

Date: ______________________________

EXHIBIT “J” TO THE DISCLOSURE DOCUMENT

FORM OF

CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE

CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE

THIS CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE (this "**Assignment"**) is made, entered into and effective as of the effective date of the Lease (as defined hereinbelow), by, between and among **BarbaraKares International, Inc.,** a Georgia corporation with its principal business address located at 560 West Martin Luther King Dr., Milledgeville, GA 31061 ("**Franchisor,**" "**we**," "**us**" or "**our**"), and ____ whose current principal place of business is ____ ("**Franchisee,**" "**you"** or "**your**").

BACKGROUND INFORMATION

We entered into that certain Franchise Agreement (the "**Franchise Agreement**") dated as of ____________________, 20__ with you, pursuant to which you plan to own and operate a BarbaraKares franchise located at that certain location approved by us pursuant to the Franchise Agreement between you and us dated ____________________, 20__ (the "**Approved Office Location**" or "**Site**"). In addition, pursuant to that certain Lease Agreement (the "Lease"), you have leased or will lease certain space containing the BarbaraKares In-Home Care Services franchise described therein from _________________________________ (the "**Lessor**"). The Franchise Agreement requires you to deliver this Assignment to us as a condition to the grant of a franchise.

We and you agree as follows:

1. **Background Information:** The background information is true and correct. This Assignment will be interpreted by reference to, and construed in accordance with, the background information.

2. **Incorporation of Terms**: Terms not otherwise defined in this Assignment have the meanings as defined in the lease.

3. **Indemnification of Us:** You agree to indemnify and hold us and our affiliate, if any, our members, directors, officers and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them may suffer, sustain or incur by reason of, or arising out of, your breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease.

4. **Assignment**: You grant to us a security interest in and to the Lease, all of the furniture, fixtures, inventory and supplies located in the Approved Location and the franchise relating to the BarbaraKares In-Home Care Services franchise, and all of your rights, title and interest in and to the Lease as collateral for the payment of any obligation, liability or other amount owed by you or your affiliates (if permitted by us) to the Lessor arising under the Lease and for any of the terms and provisions of the Franchise Agreement. In the event of a breach or default by you under the terms of the Lease, or, in the event we make any payment to the Lessor as a result of your breach of the Lease, then such payment by us, or such breach or default by you, will at our option be deemed to be an immediate default under the Franchise Agreement, and we will be entitled to the possession of the Site and to all of your rights, title and interest in and to the Lease and to all other remedies described herein or in the Franchise Agreement or at law or in equity, without prejudice to any of our other rights or remedies under any other Agreements or under other applicable laws or equities. This Assignment will constitute a lien on your interest in and to the Lease until satisfaction in full of all amounts owed by you to us. In addition, our rights to assume all obligations under the Lease provided in this Assignment are totally optional on our part. You agree to execute any and all Uniform Commercial Code financing statements and all other documents and

instruments deemed necessary by us to perfect or document the interests and assignments granted herein.

5. **No Subordination:** You will not permit the Lease to become subordinate to any lien without first obtaining our written consent, other than the lien created by this Assignment, the Franchise Agreement, the Lessor's lien under the Lease, liens securing bank financing for your operations on the Site and the agreements and other instruments referenced herein. You will not terminate, modify or amend any of the provisions or terms of the Lease without our prior written consent. Any attempt at termination, modification or amendment of any of the terms without such written consent is null and void.

6. **Exercise of Remedies**: In any case of default by you under the terms of the Lease or under the Franchise Agreement, we will be entitled to exercise any one or more of the following remedies:

(a) to take possession of the Approved Location, or any part thereof, personally, or by our agents or attorneys;

(b) to, without notice and with or without process of law, enter upon and take and maintain possession of all or any part of the Approved Location, together with all your furniture, fixtures, inventory, books, records, papers and accounts;

(c) to exclude you, your agents or employees from the Approved Location;

(d) as your attorney-in-fact or in our own name, and under the powers herein granted, to hold, operate, manage and control the BarbaraKares Franchised Business and conduct the business, if any thereof, either personally or by our agents, with full power to use such measures, legally rectifiable, as we may be deemed proper or necessary to cure such default, including actions of forcible entry or detainer and actions in distress of rent, hereby granting full power and authority to us to exercise each and every right or the rights, privileges and powers herein granted at any and all times hereafter;

(e) to cancel or terminate any unauthorized agreements or subleases entered into by you, for any cause or ground which would entitle us to cancel the same;

(f) to disaffirm any unauthorized agreement, sublease or subordinated lien, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Site that may seem judicious;

(g) to insure and reinsure the same for all risks incidental to our possession, operation and management thereof; and/or

(h) notwithstanding any provision of the Franchise Agreement to the contrary, to declare all of your rights but not obligations under the Franchise Agreement to be immediately terminated as of the date of your default under the Lease.

7. **Power of Attorney**: You do hereby irrevocably appoint us as your true and lawful attorney-in-fact in your name and stead and hereby authorize us, upon any default under the Lease or under the Franchise Agreement, with or without taking possession of the Site, to manage and operate the Site and/or rent or lease the Site to any person, firm, corporation or entity, upon such terms and conditions as we may determine, and with the same rights and powers and immunities, exoneration of liability and rights of recourse and indemnity as we would have upon taking possession of the Site pursuant to the provisions set forth in the Lease. The power of attorney conferred upon us pursuant to this Assignment is a power coupled with an interest and cannot be revoked, modified or altered without our written consent.

8. **Election of Remedies:** It is understood and agreed that the provisions set forth in this Assignment are deemed a special remedy given to us and are not deemed to exclude any of the remedies granted in the Franchise Agreement or any other agreement between the parties, but are deemed an additional remedy and are cumulative with the remedies therein and elsewhere granted to us, all of which remedies are enforceable concurrently or successively. No exercise by us or any of the rights hereunder

will cure, waive or affect any default hereunder or default under the Franchise Agreement. No inaction or partial exercise of rights by us will be construed as a waiver of any of our rights and remedies and no waiver by us of any such rights and remedies will be construed as a waiver by us of any future rights and remedies.

9. **Binding Agreements**: This assignment and all provisions are binding upon the parties, their successors, assigns and legal representatives and all other persons or entities claiming under them or through them, or either of them, and the words "we", "us" or "our" or "you" and "your "includes all such persons and entities and any others liable for payment of amounts under the Lease or the Franchise Agreement. All individuals executing on behalf of corporate or other legal entities hereby represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder or member authorizations and approvals.

10. **Assignment to Control**. This Assignment governs and controls over any conflicting provisions in the lease.

11. **Attorney's Fees, Etc**. In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment, the prevailing party will be entitled to recover its attorneys' fees, costs and expenses relating to any trial or appeal (including, without limitation, paralegal fees) or arbitration or bankruptcy proceeding from the non-prevailing Party.

12. **Severability**. If any of the provisions of this Assignment or any section or subsection of this Assignment is to be held invalid for any reason, the remainder of this Assignment or any such section or subsection will not be affected thereby and will remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties have caused this Assignment to be executed as of the day and year first above written.

"FRANCHISEE", "YOU" AND "YOUR":

____
Name of Entity

By: ______________________________

Name: ___________________________

Title: _____________________________

Date: _____________________________

"FRANCHISOR", "US" AND "OUR"

BARBARAKARES INTERNATIONAL, INC.

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

THIS CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE is accepted and agreed to by:

"**Lessor**"

By: ________________________________

Name: ______________________________

Its: ________________________________

Date: _______________________________

EXHIBIT “K” TO THE DISCLOSURE DOCUMENT

FORM OF

PRINCIPAL OWNER’S GUARANTY

PRINCIPAL OWNER'S GUARANTY

This Guaranty must be signed by each of the principal owners (referred to as "**you**" or "**your**" for purposes of this Guaranty only) of ____________________________ (the "**Business Entity**") under the Franchise Agreement dated ________________, 20__ (the "**Agreement**") with **BarbaraKares International, Inc.** ("**Franchisor**," "**we**," "**us**" or "**our**").

1. **Incorporation of Terms**. Each term of the Agreement is incorporated into this Guaranty.

2. **Guaranty**. In consideration of and as an inducement to us signing and delivering the Agreement, each of you signing this Guaranty personally and unconditionally: guarantees to us and our successors and assigns that (a) the Business Entity will punctually pay and perform every obligation and obey every restriction and covenant set forth in the Agreement and each and every Agreement entered into by and between Us and the Business Entity; and (b) each of you jointly and severally agrees to be personally bound by, and personally liable for the breach of, each and every obligation, restriction and covenant in the Agreement.

3. **Payment**. If the Business Entity fails to make any payment when due or otherwise defaults under any of the terms of the Agreement, immediately upon demand, you will pay to us the full amount owed, plus any interest or penalty allowed under the Agreement. All payments are made without set-off, deduction or withholding for any reason, and are final and free from any defense, claim or counterclaim of you, except the defense that the Business Entity has paid all obligations in full.

4. **Waivers**. Each of you waives: (a) acceptance and notice of acceptance by us of your obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by you; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by you; (d) any right you may have to require that an action be brought against the Business Entity or any other person as a condition of your liability; (e) all rights to payments and claims for reimbursement or subrogation which you may have against the Business Entity arising as a result of your execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantors.

5. **Consents and Agreements**. Each of you consents and agrees that: (a) your direct and immediate liability under this Guaranty is joint and several; (b) you must render any payment or performance required under the Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) your liability will not be contingent or conditioned upon our pursuit of any remedies against the Business Entity or any other person; (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to the Business Entity or to any other person, including without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Agreement and, if required by the Agreement, after its termination or expiration.

6. **Enforcement Costs**. If we are required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, you must reimburse us for our enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees,

other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

7. **Effectiveness**. Your obligations under this Guaranty are effective on the Agreement Date, regardless of the actual date of signature. Each of you agrees that this "Principal Owners Guaranty" may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature with regard to this "Principal Owners Guaranty." You are not entitled to challenge the validation or authenticity of the electronic signature or this document on the ground that it is not an original. Terms not otherwise defined in this Guaranty have the meanings as defined in the Agreement. This Guaranty is governed by Georgia law and we may enforce our rights regarding it by arbitration in Milledgeville, Georgia, or if we no longer maintain an office in Milledgeville, Georgia then our home office. Arbitration shall be conducted in accordance with the United States Arbitration Act (9 U.S.C. Section 1, *et seq*.), if applicable, The Rules of the American Arbitration Association relating to the Arbitration of disputes arising under franchise and license agreements, if any, otherwise, the general rules of commercial arbitration, provided that the arbitrator shall award, or include in his/her award, the specific performance of this Agreement, and the arbitrator shall issue a written opinion explaining the reasons for his/her decision and award. If a claim for amounts owed by you to us is asserted in the arbitration proceeding and if we shall prevail on such claim, we shall be entitled to so much of our cost and expenses including accounting and legal fees, as are attributable to the prosecution thereof. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof or of us or of you.

Each of you now signs and delivers this Guaranty effective as of the date of the Agreement regardless of the actual date of signature.

PERCENTAGE OF OWNERSHIP	**GUARANTORS**
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
	DATE ______________________

EXHIBIT "L" TO THE DISCLOSURE DOCUMENT

FORM OF

PRINCIPAL OWNER'S STATEMENT

PRINCIPAL OWNER'S STATEMENT

This form must be completed by you if you have multiple owners or if you, or your franchised business, is owned by a business organization (like a corporation, partnership or limited liability company). We are relying on the truth and accuracy of this form in awarding the Franchise Agreement to you.

1. **Form of Owner.** Franchisee is a (check one):

(a)	General Partnership	☐
(b)	Corporation	☐
(c)	Limited Partnership	☐
(d)	Limited Liability Company	☐
(e)	Other	☐

Specify: ___________________

Franchisee was formed under the laws of _________________________.

(State)

2. **Business Entity**. Franchisee was incorporated or formed on ____________________, 20__, under the laws of the State of _______________. Franchisee has not conducted business under any name other than your corporate, limited liability company or partnership name and ___________________________. The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions are listed below:

Name of Person	**Position**
_________________________________	___________________________________
_________________________________	___________________________________
_________________________________	___________________________________
_________________________________	___________________________________

3. **Owners**. The following list includes the full name and mailing address of each person who is one of your owners and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

Owner's Name and Address	**Description of Interest**
_________________________________	___________________________________
_________________________________	___________________________________
_________________________________	___________________________________
_________________________________	___________________________________

4. **Governing Documents**. Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., operating agreement, certificate of formation, articles of incorporation or organization, partnership or shareholder agreements, etc.).

This Statement of Principal Owners is current and complete as of _____________, 20__. You agree that this document may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this document. You are not entitled to challenge the validation or authenticity of the electronic signature or this document on the ground that it is not the original.

OWNER

INDIVIDUALS

____

[Signature]

____

[Print Name]

____

[Signature]

____

[Print Name]

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

____

[Name]

By: ___________________________________

Title: _________________________________

EXHIBIT “M” TO THE DISCLOSURE DOCUMENT

FORM OF

CONFIDENTIALITY, NON-SOLICITATION AND NON-COMPETITION AGREEMENT FOR FRANCHISE AGREEMENT

CONFIDENTIALITY, NON-SOLICITATION AND

<u>NON-COMPETITION AGREEMENT</u>

NAME: ____

FRANCHISEE: ____

HOME ADDRESS: ____

____

HOME TELEPHONE: ____

CLASSIFICATION: ____

(Owner, Shareholder, Officer, Director, Attorney, Employee, Etc.)

_________________________________ ("Franchisee") is a franchisee of BarbaraKares International, Inc. ("Franchisor") pursuant to a Franchise Agreement entered into by Franchisee and Franchisor dated ____________________, 20__ (the "Franchise Agreement"). I agree that, unless otherwise specified, all terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

I agree that during the term of my employment by, ownership participation in, association with or service to, Franchisee, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity any confidential information, knowledge or know-how concerning the systems of operation, services, products, clients or practices of Franchisee and/or Franchisor.

Any and all information, knowledge, know-how, techniques and information which the entities mentioned above or their officers designate as confidential will be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication is in violation of a similar confidentiality agreement), but in no event through any act of mine.

I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or data base, nor otherwise make them available to any unauthorized person. Upon the expiration or termination for any reason of my employment, or ownership participation in, association with or service to Franchisee, I agree to return to Franchisor or Franchisee, as the case may be, all Confidential Information or material containing it (in whole or in part) in my possession utilized during my employment, association, service or ownership participation.

I further agree that during the term of my employment, association, service or ownership participation, and under the circumstances set forth in the following paragraph, for a period of two years immediately following its expiration or termination for any reason, I will not, directly or indirectly engage or participate in any Competitive Business, as defined below. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant.

The term “Competitive Business” as used in this Agreement means any business or facility owning, operating or managing, or granting franchises or licenses to others to do so, any sale of goods, or services or business or facility, owning, operating, managing, franchising or licensing, selling any services, items, products similar to those offered by any BarbaraKares In-Home Care Services Franchised Business, including but not limited to the use of technology with hands-on personal non-medical care, in-home care, assistance and/or companionship care and related services . This “exclusivity” is construed in accordance with and/or is governed by (as applicable) the law of the State of Georgia without recourse to Georgia (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of Georgia, and if the BarbaraKares In-Home-Care-Services Franchised Business is located outside of Georgia and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant”, unfair competition, fiduciary or any other doctrine of law of the State of Georgia or any other state, which would not otherwise apply.

I further agree that all disputes and claims relating to this Agreement and of the Franchise Agreement (other than your engaging in a Competitive Business, as defined above, upon termination or expiration of the Franchise Agreement, the use of our name or trademarks) shall be settled by Arbitration in Milledgeville, Georgia, or if Franchisor shall no longer maintain an office in Milledgeville, Georgia, then the home office of Franchisor. Arbitration shall be conducted in accordance with the United States Arbitration Act (9 U.S.C. Section 1, *et seq*.), if applicable, and the Rules of the American Arbitration Association (relating to the arbitration of disputes arising under franchise and license agreements, if any, otherwise, the general rules of commercial arbitration), provided that the arbitrator shall award, or include in his/her award, the specific performance or injunction remedies of this Agreement, and the arbitrator shall issue a written opinion explaining the reasons for his/her decision and award. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof or of Franchisor, Franchisee or me as an owner, shareholder, officer, director, attorney, employee or any other relationship I have with the Franchisee. During the pendency of an arbitration proceeding hereunder, Franchisee and Franchisor shall fully perform and comply with the provisions of this Agreement.

I hereby waive and covenant never to assert or claim that arbitration is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

I hereto agree that this document may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this document. You are not entitled to challenge the validation or authenticity of the electronic signature or this document on the ground that it is not the original.

Witness:

______________________________	______________________________
	(Signature)
______________________________	______________________________
Date	**(Printed Name)**

EXHIBIT “N” TO THE DISCLOSURE DOCUMENT

FORM OF

CONFIDENTIALITY, NON-SOLICITATION AND NON-COMPETITION AGREEMENT

FOR

AREA DEVELOPMENT AGREEMENT

CONFIDENTIALITY, NONSOLICITATION

AND NONCOMPETITION AGREEMENT FOR

AREA DEVELOPMENT AGREEMENT

NAME:	____
DEVELOPER:	____
HOME ADDRESS:	____
HOME TELEPHONE:	____
CLASSIFICATION:	____
	(Owner, Shareholder, Officer, Director, Attorney, Employee, Etc.)

__________________________ ("Developer") is a developer of BarbaraKares International, Inc. ("Franchisor") pursuant to an Area Development Agreement entered into by Developer and Franchisor dated ____________________, 20__ (the "Area Development Agreement"). I agree that, unless otherwise specified, all terms in this Agreement have those meanings ascribed to them in the Area Development Agreement.

I agree that during the term of my employment by, ownership participation in, association with or service to, Developer, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity any confidential information, knowledge or know-how concerning the systems of operation, services, products, clients or practices of Developer and/or Franchisor which may be communicated to me ("Confidential Information"), and I will not divert any business to competitors of Developer and/or Franchisor.

Any and all information, knowledge, know-how, techniques and information which the entities mentioned above or their officers designate as confidential will be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication is in violation of a similar confidentiality agreement), but in no event through any act of mine.

I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or data base, nor otherwise make them available to any unauthorized person. Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree to return to Franchisor or Developer, as the case may be, all Confidential Information or material containing it (in whole or in part) in my possession utilized during my employment, association, service or ownership participation.

I further agree that during the term of my employment, association, service or ownership participation, and under the circumstances set forth in the following paragraph, for a period of two years immediately following its expiration or termination for any reason, I will not, directly or indirectly engage or participate in any Competitive Business, as defined below. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant.

The term "Competitive Business" as used in this Agreement means any business or facility owning, operating or managing, or granting franchises or licenses to others to do so, any sale of goods, or services or business or facility, owning, operating, managing, franchising or licensing, selling any services, items, products similar to those offered by any BarbaraKares In-Home Care Services Franchised Business, including but not limited to the use of technology with hands-on personal non-medical care, in-home care, assistance and/or companionship care and related services. This "exclusivity" is construed in accordance with and/or is governed by (as applicable) the law of the State of Georgia without recourse to Georgia (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of Georgia, and if the Franchised Business is located outside of Georgia and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or any other doctrine of law of the State of Georgia or any other state, which would not otherwise apply.

I further agree that all disputes and claims relating to this Agreement and of the Franchise Agreement or Area Development Agreement (other than your engaging in a Competitive Business, as defined above, upon termination or expiration of the Area Development Agreement or Franchise Agreement, the use of our name or trademarks) shall be settled by Arbitration in Milledgeville, Georgia, or if Franchisor shall no longer maintain an office in Milledgeville, Georgia then the home office of Franchisor. Arbitration shall be conducted in accordance with the United States Arbitration Act (9 U.S.C. Section 1, *et seq*.), if applicable, and the Rules of the American Arbitration Association (relating to the arbitration of disputes arising under franchise and license agreements, if any, otherwise, the general rules of commercial arbitration), provided that the arbitrator shall award, or include in his/her award, the specific performance or injunction remedies of this Agreement, and the arbitrator shall issue a written opinion explaining the reasons for his/her decision and award. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof or of Franchisor, Franchisee or me as an owner, shareholder, officer, director, attorney, employee or any other relationship I have with the Franchisee. During the pendency of an arbitration proceeding hereunder, Franchisee and Franchisor shall fully perform and comply with the provisions of this Agreement.

I hereby waive and covenant never to assert or claim that arbitration is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

I hereto agree that this document may be executed electronically by any means Franchisor chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this document. I shall not be entitled to challenge the validation or authenticity of the electronic signature nor this document on the ground that it is not the original.

[Signature on page that follows.]

Witness:

______________________________	______________________________
	(Signature)
______________________________	______________________________
Date	**(Printed Name)**

EXHIBIT "O" TO THE DISCLOSURE DOCUMENT

FORM OF

FRANCHISEE QUESTIONNAIRE

BARBARAKARES INTERNATIONAL, INC.

FRANCHISEE QUESTIONNAIRE

Prior to the final execution of a Franchise Agreement, this questionnaire must be completed in its entirety. Completion of this questionnaire confirms that BarbaraKares International, Inc., its employees and representatives have fully complied with all applicable franchise registration and disclosure laws relating to the purchase of your franchise.

1. **Full Name of Franchisee:**

____

2. **Franchisee Office Location:**

____

3. **Franchisee is: (check applicable box)**

[ ] Individual [ ] Corporation [ ] General Partnership [ ] Limited Partnership

[ ] Limited Liability Company [ ] Other _______________

4. **If Franchisee is other than an individual, indicate the capacity in which the undersigned is authorized to act on behalf of the Franchisee: (check applicable box)**

[ ] Officer (insert title): ______________________________

[ ] General Partner

[ ] Other (please explain): ____

5. **Did Franchisee receive a Franchise Disclosure Document?** [ ] Yes [ ] No

6. **On what date was the Franchise Disclosure Document received, and by whom?**

Date: ______________________________ Recipient: _________________________

7. **Name of our Company Representative who primarily worked with you on this sale:**

____

8. **Have you discussed the benefits and risks of operating a BarbaraKares International, Inc. Franchise with an attorney, accountant or other professional advisor?**

_______ Yes / No

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

________ Yes / No

10. Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a BarbaraKares International, Inc. Franchise that we or our franchisees operate?

_______ Yes / No

11. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise concerning a BarbaraKares International, Inc. Franchise that is contrary to, or different from, the information contained in our Disclosure Document?**

_______ Yes / No

12. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a BarbaraKares International, Inc. Franchise?**

_______ Yes / No

13. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise concerning the total amount of revenue a BarbaraKares International, Inc. Franchise will generate?**

_______ Yes / No

14. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise regarding the costs you may incur in operating a BarbaraKares International, Inc. Franchise that is contrary to, or different from, the information contained in our Disclosure Document?**

_______ Yes / No

15. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a BarbaraKares International, Inc. Franchise?**

_______ Yes / No

16. **Has any BarbaraKares International, Inc. employee or representative speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing,**

training, support services or assistance that we will furnish to you that is contrary to, or different from, the information contained in our Disclosure Document?

_______ Yes / No

17. **If you have answered "Yes" to any of questions 10 through 16 above, please provide a full explanation of your answer in the following blank lines. Attach additional pages, if necessary. If you answered "No" to each of questions 10 through 16, leave the following lines blank.**

____

____

____

____

____

____

You understand that BarbaraKares International, Inc. is relying on the truthfulness and completeness of your responses to the questions above in granting a Franchise to you. By signing this Franchise Questionnaire, you are stating you have responded truthfully to all of the above questions.

Franchisee agrees that this Franchisee Questionnaire may be executed electronically by any means BarbaraKares International, Inc. chooses, and if by electronic signature, the electronic signature shall be binding to the same extent as an original signature and shall be deemed an original signature with regard to this document. Franchisee is not entitled to challenge the validation or authenticity of the electronic signature or this document on the ground that it is not the original.

YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT OF ANY DISPUTE ARISING BETWEEN YOURSELF AND BARBARAKARES INTERNATIONAL, INC., THIS QUESTIONNAIRE SHALL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION OR ARBITRATION PROCEEDING, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

FRANCHISEE:

____

____
(Signature)

____
(Print Name)

Date: ______________________________________

OR

Individually and on behalf of:

____
(Signature)

____
(Print Name)

Date: ________________________________

EXHIBIT "P" TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC AND OTHER ADDENDA AND RIDERS

EXHIBIT “Q” TO THE DISCLOSURE DOCUMENT

FORM OF

RELEASE

FORM OF RELEASE

The following is our current general release form that we expect to include in a release that a franchisee and/or transferor may sign as part of a renewal, approved transfer or purchase by us of the assets of a franchisee's BarbaraKares location franchise. We may periodically modify the release.

THIS RELEASE is given by ___________________________________ and their predecessors, agents, affiliates, legal representatives, successors, assigns, heirs, beneficiaries, executors and administrators (collectively, "**we**," "**us**" or "**ours**"), to BarbaraKares International, Inc. and all of its predecessors, affiliates, owners, officers, employees, legal representatives, agents, directors, successors and assigns, their heirs, beneficiaries, executors and administrators (sometimes hereafter collectively referred to as "**you**" or "**your**"). Effective on the date of this Release, we forever release and discharge BarbaraKares International, Inc. from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature or kind, in law or in equity, which we now have or ever had against BarbaraKares International, Inc., including without limitation, anything arising out of that certain Franchise Agreement dated ____________________, 20__ (the "**Franchise Agreement**"), the franchise relationship between the parties, and any other relationships between you and us; except your obligations under the ___________ Agreement. This Release is effective for: (a) any and all claims and obligations, including those of which we are not now aware; and (b) all claims we have from anything which has happened up to now; provided, however, that all liabilities arising under Indiana Code Sec. 23-2-2.7, the Maryland Franchise Registration and Disclosure Law and/or the Minnesota Franchise Act are excluded from this release, and that all rights enjoyed by us under the Franchise Agreement and any causes of action arising in our favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force; it being the intent of this provision that the non-waiver provisions of General Business Law, Section 687.4 and 687.5 be satisfied. If we are domiciled or have our principal place of business in the State of California, then we hereby expressly waive and relinquish all rights and benefits under Section 1542 of the California Civil Code, which provides: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.".

We are bound by this Release. We freely and voluntarily give this Release to you for good and valuable consideration and we acknowledge its receipt and sufficiency.

We represent and warrant to you that we have not assigned or transferred to any other person any claim or right we had or now have relating to or against you.

In this Release, each pronoun includes the singular and plural as the context may require.

This Release is governed by Georgia law.

This Release is effective ____________________, 20__, notwithstanding the actual date of signatures.

IN WITNESS WHEREOF, the undersigned execute this Release:

By: ___________________________________
Name: _________________________________
Title: _________________________________
Date: _________________________________

(STATE OF ____________________)

(COUNTY OF __________________)

The foregoing instrument was acknowledged before me this the _____ day of ____________________, 20___, by __________________________________, who is personally known to me or has produced __________________ as identification.

____

Signature of Notary

____

Printed Name of Notary

My Commission Expires: __________________

EXHIBIT "R" TO THE DISCLOSURE DOCUMENT

RECEIPTS

State Effective Dates

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

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

RECEIPT

(Retain this copy for your records)

This disclosure document summarizes certain provisions of the Franchise Agreement, Area Development Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If BarbaraKares International, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement for the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If BarbaraKares International, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency in Exhibit "F".

The franchisor is BarbaraKares International, Inc., located at 560 West Martin Luther King Dr., Milledgeville, GA 31061. Its telephone number is (478) 234-0070 .

Issuance Date: February 28, 2025

The franchise seller for this offering is ______________________________ whose principal business address is 560 West Martin Luther King Dr., Milledgeville, GA 31061 and telephone number is (478) 234-0070.

BarbaraKares International, Inc. authorizes the respective state agencies identified in Exhibit "F" to receive service of process for it in their particular state.

I received a disclosure document dated February 28, 2025 that included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	List of Franchisees and Area Developers
Exhibit C	List of Franchisees Who Have Left the System
Exhibit D	Form of Confidential Operating Manual Table of Contents
Exhibit E	Form of Key-Employee Manager Confidentiality Agreement
Exhibit F	List of State Agencies/Agents for Service of Process
Exhibit G	Form of Franchise Agreement
Exhibit H	Form of Area Development Agreement
Exhibit I	Form of Conditional Assignment of Telephone Numbers and Listings
Exhibit J	Form of Conditional Assignment and Assumption of Lease
Exhibit K	Form of Principal Owner's Guaranty

Exhibit L	Form of Principal Owner's Statement
Exhibit M	Form of Confidentiality, Non-Solicitation and Non-Competition Agreement for Franchise Agreement
Exhibit N	Form of Confidentiality, Non-Solicitation and Non-Competition Agreement for Area Development Agreement
Exhibit O	Franchisee Questionnaire
Exhibit P	State Specific and other Addenda and Riders
Exhibit Q	Form of Release
Exhibit R	Receipts

Individual:

____
Date Received

____
Prospective Franchisee Signature

____
Print Name

OR

Legal Entity

By: ______________________________

Name: ______________________________

On behalf of the following entity:
Company Name:
____

Title: ______________________________

____
Date Received

RECEIPT

(Sign, Date, and return this copy to us)

This disclosure document summarizes certain provisions of the Franchise Agreement, Area Development Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If BarbaraKares International, Inc. 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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Exhibit P	State Specific and other Addenda and Riders
Exhibit Q	Form of Release
Exhibit R	Receipts

Individual:

_____________________________ Date Received

____________________________________ Prospective Franchisee Signature

____________________________________ Print Name

OR

Legal Entity

By: __________________________________

Name: _______________________________

On behalf of the following entity:
Company Name:
____

Title: ________________________________

_____________________________ Date Received