FRANCHISE DISCLOSURE DOCUMENT

CARE WITH LOVE ELITE, LLC
10505 Braddock Rd Suite 4A
Fairfax VA, 22032
703-665-1130
Franchising@carewithlove.com
carewithlove.com

The Franchisee will own and operate a business providing non-medical, personal care services to clients in their homes or other residences, using the trade name or trademark, CARE WITH LOVE, and also our other related trade names, trademarks, or logos (collectively, our "Marks"). We provide services to franchisees including assistance with training, operations, advertising, purchasing and promotional techniques.

The total investment necessary to begin operation of a new unit CARE WITH LOVE franchise is between $135,543 to $207,268. This includes $50,000 that must be paid to us or our affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact CARE WITH LOVE ELITE, LLC at 10505 Braddock Rd Suite 4A, Fairfax, VA 22032, 703-665-1130.

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

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

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

Issuance Date: April 10, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit B.
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 C 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 CARE WITH LOVE 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 CARE WITH LOVE 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 E.

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 Virginia. 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 Virginia than in your own state.

2. **Short Operating History.** The franchisor is at an early state of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

4. **Financial Condition**. The Franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

5. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

6. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this

subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL. Any questions regarding the notice should be delivered to the Department of the Attorney General, Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau, 2501 Woodlake Circle, Okemos, MI 48864, Telephone: (517) 241-6470.

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EXHIBITS

Exhibit A	CARE WITH LOVE Franchise Agreement with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider); Attachment 3 (Personal Guaranty), Attachment 4 (Nondisclosure and Noncompetition Agreement), Attachment 5 (Internet, Social Media, and Telephone Assignment), Attachment 6 (Business Associate Agreement), and Attachment 7 (Nondisclosure and Non-solicitation Agreement).
Exhibit B-1	Outlet Directory/Listing of Current Franchisees
Exhibit B-2	Listing of Certain Past Franchisees
Exhibit C	Financial Statements
Exhibit D	State Specific Information
Exhibit E	Federal and State Regulators and Agents for Service of Process
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ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

THE FRANCHISOR

To simplify the language in this Disclosure Document, "we," "CARE WITH LOVE," "CWL," "us," or "our" means CARE WITH LOVE ELITE, LLC. "You" means the person or company that buys the franchise, including, if any, such company's owners, partners, members, controlling shareholders, and guarantors. CARE WITH LOVE ELITE, LLC was formed in Virginia on August 3, 2021. Our principal business address is 10505 Braddock Rd Suite 4A, Fairfax, VA 22032. Our registered agent is PJI Law, PLC located at 3900 Jermantown Rd Ste 220, Fairfax, VA, 22030. Use of the term "affiliate" means an entity's subsidiary or parent and an entity controlled by, controlling, or under common control with, another entity.

Our sole business since inception is selling CARE WITH LOVE franchises and providing training and other services to CARE WITH LOVE franchisees. We began selling the franchises being offered in this disclosure document during 2022. We are not engaged in any other business activities and have never offered franchises in any other line of business. We do not operate a business of the type being franchised, although affiliates of ours do. We do business and intend to do business under the names "CARE WITH LOVE ELITE, LLC," and "CARE WITH LOVE."

Exhibit E identifies the names and addresses of our agents for service of process in certain states that require we appoint them upon our registration there.

PARENTS, PREDECESSORS, AND AFFILIATES

We have no predecessors.

Our parent company, CARE WITH LOVE ALL CARE, LLC ("All Care Co.") was formed in Virginia on August 18, 2021. Its principal business address is 10505 Braddock Rd Suite 4A, Fairfax, VA 22032. All Care Co. does not operate businesses of the type offered in this disclosure document nor offer or sell franchises in any line of business. All Care Co. shares employees with us. All Care Co. owns us and our affiliate CARE WITH LOVE IP, LLC ("IP Co.").

Our affiliate, IP Co. was formed in Virginia on August 12, 2021. It shares a principal place of business and employees with us. IP Co. does not operate businesses of the type offered in this disclosure document nor offers or sells franchises in any line of business. Through a license agreement, IP Co. has granted us the right to sublicense to you the intellectual property and trademarks that it owns.

Our affiliate, CARE WITH LOVE, LLC ("Operating Co.") was formed in Virginia on September 23, 2014. It shares a principal place of business and employees with us. Operating Co. owns and operates two CARE WITH LOVE businesses in Fairfax, Virginia and Richmond, Virginia. Operating Co. operates under the business name "CARE WITH LOVE" as well. These personal care businesses also offer skilled medical care, which you will not be authorized to offer at this time. Operating Co. has not offered franchises in this or any other line of business. Operating Co. may be authorized to provide goods and services to you.

Our affiliate, CARE WITH LOVE PC, LLC ("D.C. Operating Co.") was formed in Virginia on July 20, 2021. It shares a principal place of business and employees with us. D.C. Operating Co. owns and operates a CARE WITH LOVE business in Washington D.C. The D.C. Operating Co. operates under the business name "CARE WITH LOVE". The personal care business does not offer skilled medical care. D.C. Operating Co. has not offered franchises in this or any other line of business. D.C. Operating Co. may be authorized to provide goods and services to you.

THE FRANCHISE OFFERED

As a CARE WITH LOVE franchisee, you will own and operate a business providing non-medical personal care services to client in their private homes (a "Franchised Business"). The services generally compose two categories: companion services and personal care services. Companion services typically include client interaction such as through conversation and games, pet care, light housekeeping, and monitoring bathing for safety. Personal care services typically include walking and transferring assistance, bathing and dressing assistance, incontinence and toileting assistance, light housekeeping, sleepover services, and medication reminders. This may also include hospice, non-medical staffing and caregiving facilities and assisted living services as well. The employees or independent contractors who work for the Franchised Business to provide the personal care services are "caregivers." Caregivers will need to supply their own transportation as they travel to and from clients' locations. Clients may pay for the services out of pocket or through private long-term care insurance. Other forms of commercial insurance or government-funded insurance will not be accepted. You must have qualified caregivers available to serve clients in accordance with their care plan, which may require care to be provided during non-business hours or overnight.

Your Franchised Business will not offer Skilled Care. "Skilled Care" means any type of care requiring a health care or medical related license, including care provided by licensed home health aides, licensed practical nurses, licensed vocational nurses, or registered nurses.

In some jurisdictions you will need to have staff to fill designated roles. For example, you may need to contract with or hire a registered nurse to assess clients' needs, develop a plan for services, and supervise the care being provided. You are solely responsible for determining which staff positions your state may require and operating with those positions filled at all times.

CARE WITH LOVE businesses are characterized by distinctive methods of service; standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs; all of which we may improve, amend, and further develop from time to time. You will be required to operate using our Marks and in accordance with our confidential Brand Standards Manual, other proprietary Brand Standards Manual, and other policies and procedures (collectively, the "Brand Standards Manual"), technology resources, standards and specifications, marketing and sales programs, and other research and development connected with the establishment and operation of a CARE WITH LOVE business (collectively, the "System"), which we may modify from time to time as we deem appropriate in our sole discretion.

The typical CARE WITH LOVE business provides services at clients' private homes. The CARE WITH LOVE business is headquartered at a leased office space of approximately 100 to 150 square feet.

In order to own and operate a CARE WITH LOVE Franchised Business, you must enter into our current form of franchise agreement that is attached as Exhibit A to this Disclosure Document ("Franchise Agreement"). You and your spouse (and your owners' and their spouses, if you are an entity) must sign our form of personal guaranty attached as Attachment 3 to Exhibit A.

MARKET AND COMPETITION

You will compete with other CARE WITH LOVE franchisees and other businesses offering home care, senior care, hospice services, and medical care services, including assisted living centers rehabilitation centers, and senior daycare centers. Your competition will consist of local, regional, and national chains, franchises, and independent service providers. The market for non-medical, personal care services is well developed and fragmented.

REGULATIONS

You are responsible for operating the Franchised Business in full compliance with all laws that apply. Your state may require you, or your caregivers, to obtain a permit, license, accreditation, certification, or other authorization to provide the authorized non-medical, personal care services (collectively and individually a "Personal Care License"). Additionally, we may require you to obtain certain credentials or accreditation.

Some states have issued a moratorium on the issuance of Personal Care Licenses. If your jurisdiction has capped the issuance of new licenses, you may need to acquire a license from an existing business. The cost of buying a previously issued license might be greater than the cost to obtain a new license. You should consider the availability and cost of required the Personal Care Licenses before acquiring the franchise.

If your jurisdiction requires you to obtain the services of certain types of employees or contractors, you are solely responsible for doing so. For example, in some states you may need to contract with a registered nurse to assess clients' needs, develop a plan for services, and supervise the care being provided. If you are required to have a nurse or other licensed professional as part of your staff, you must comply with all regulations applicable to that licensed professional.

You must determine if you are a covered entity, as defined by the federal Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"), and, if you are, you must comply with HIPAA when collecting, using and disclosing information about clients. If you are a covered entity under HIPAA, we are a "Business Associate" of yours as described in the Franchise Agreement, in which case you will be required to sign a Business Associate Agreement with us, in the form we specify.

Other laws that you must comply with include wage and hour laws, worker' compensation, tax, environmental, sanitation, insurance, data privacy, non-discrimination, Equal Employment

Opportunity Commission, Occupational Safety and Health Administration, and sexual harassment laws.

Since you will accept credit cards as a method of payment, you must comply with payment card infrastructure ("PCI") industry and government requirements. PCI security standards are technical and operational requirements designed to protect cardholder data. The standards apply to all organizations that store, process, or transmit cardholder data and cover technical and operational payment system components involving cardholder data.

Requirements and restrictions vary widely by jurisdiction, and we have made no investigation regarding the existence of any state or local laws, regulations, ordinance, taxes, or other restrictions that could affect your ability to operate the Franchised Business. Other than described above, there are no regulations known to us specific to the operation of a non-medical, personal care business. However, state and local jurisdictions have enacted laws, rules, regulations, and ordinances that may apply to the operation of your Franchised Business. You should consult with your own attorney to ensure that the laws of the state where your CARE WITH LOVE business is located permit you to provide the approved products and services we require. It is your responsibility to investigate any regulations in your area.

ITEM 2. BUSINESS EXPERIENCE

Name	Position	Principal Occupation During the Past 5 Years
Nefr Israel Michaels	Co-President	Since our founding in August 2021, Ms. Michaels has served as our co-president and co-founder. Additionally, from August 2014 to the present she has served as the president of Operating Co. (our affiliate, CARE WITH LOVE, LLC) based in Fairfax, VA, which owns and operates two CARE WITH LOVE businesses.
Wes Michaels	Co- President	Since our founding in August 2021, Mr. Michaels has served as our co-president and co-founder. Additionally, he is a co-founder of Operating Co. (our affiliate, CARE WITH LOVE, LLC) based in Fairfax, VA, which owns and operates two CARE WITH LOVE businesses. Since October 2014, he has been the Chief Operating Officer of eBenefits Network based in Reston, Virginia.
Nadine Fahmy	Franchisor Coordinator and Head of Human Resources and Administration	Since our founding in August 2021, Ms. Fahmy has served as our franchise coordinator. Since June 2025, Ms. Fahmy has also served as our Head of Human Resources and Administration. Additionally, from August 2019 to the present, she has worked as an administrative assistant for Operating Co. (our affiliate, CARE WITH LOVE, LLC) based in Fairfax, VA, which owns and operates two CARE WITH LOVE businesses.

Name	Position	Principal Occupation During the Past 5 Years
Rebeca Brown	Marketing Manager	Since January 1, 2023, Ms. Brown has served as our marketing manager. From August 2021 through January 1, 2023, Ms. Brown served as our Marketing Coordinator. Additionally, from November 2019 to the present, she has worked as a marketing manager for Operating Co. (our affiliate, CARE WITH LOVE, LLC) based in Fairfax, VA, which owns and operates two CARE WITH LOVE businesses.
Rany Wahba	Account Manager	Since September 2020, Mr. Wahba has served as our account manager.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FRANCHISE FEE

The initial franchise fee for a single CARE WITH LOVE business is $49,000 ("IFF"). The IFF is payable in lump sum upon execution of the Franchise Agreement.

If you operate a second or subsequent franchised business, you will receive a 50% discount off of the then-current IFF.

One month prior to opening the CARE WITH LOVE business, you must pay us one month of Technology Fees (detailed below in Item 6). This fee will vary based upon the number of users and clients you have but is currently a minimum of $1,000 per month.

All Item 5 fees are uniformly applied, non-refundable, and deemed earned upon payment.

ITEM 6. OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty	5% of Gross Revenues, subject to a minimum annual royalty, commencing on January 1st of your first full calendar year of operations, in accordance with the following schedule: Calendar Year 1: $25,000 Calendar Year 2: $50,000 Calendar Year 3: $75,000 Calendar Year 4 and thereafter: $100,000	Bi-Weekly via electronic funds transfer ("EFT") on Tuesday for the two sales weeks ending the immediately preceding Sunday An annual reconciliation will occur within 30 days following the end of each calendar year to determine the actual royalty fees owed. If the reconciliation reveals a deficiency below the minimum annual royalty, Franchisor will debit the amount of such deficiency from Franchisee's designated operating account.	"Gross Revenues" is defined in Note 2 below. You shall remit to us, on a Bi-Weekly basis, 5% of Gross Revenues. A minimum annual royalty applies beginning January 1st of your first full calendar year of operations. By way of example, if you commence operations of your Franchised Business on September 25, 2026, the minimum annual royalty will begin on January 1, 2027. Once the minimum annual royalty applies, you will continue to pay 5% of Gross Revenues bi-weekly, provided that within 30 days following the end of each calendar year, Franchisor will conduct a reconciliation to determine the actual royalty fees owed by you. If such reconciliation reveals that the aggregate Royalty payments made by Franchisee are less than the Minimum Annual Royalty, Franchisor is authorized to debit the amount of such deficiency from Franchisee's designated operating account.
Brand Fund Contribution	Currently, 1% of Gross Revenues. We may increase this fee up to a maximum of 2% of Gross Revenues.	Bi-Weekly via EFT on Tuesday for the two sales weeks ending the immediately preceding Sunday	We reserve the right to increase the Brand Fund Fee to up to 2% of Gross Revenues.

Type of Fee[1]	Amount	Due Date	Remarks
Technology Fee	The greater of $1,000 per month or our costs and expenses of the goods and services provided.	Monthly via EFT	The Technology Fee is for our development and maintenance of software, mobile applications, technologies, Online Presences, and websites to be used by our franchisees. The minimum amount you must pay each month is $1,000, but if the actual costs to use the goods and services are greater than $1,000 per month, you will pay the additional amounts. For example, if you have more than one software user or if the software costs are measured on a per-client or per-employee basis, we will charge you our costs and expenses that the additional use costs, such additional costs for the software cost may increase up to an additional $200 based on the number of users. We also have the right to increase the minimum Technology Fee each year by up to 20%. We will provide you with 30 days' notice of the increase.
Minimum Local Advertising Spend	1% of Gross Revenues	As incurred (generally monthly)	You must spend 1% of Gross Revenues on local advertising in your Territory, in the form and manner we require, and with the vendors we approve. We will generally measure this on a monthly basis or, in our discretion, on a seasonal cycle.

Type of Fee[1]	Amount	Due Date	Remarks
Products and Services	Prices and fees.	As incurred	We and our affiliate reserve the right to become an approved or exclusive supplier of any products or services at the then-current rates.
Digital Advertising	Our out-of-pocket costs.	As incurred	You may be required to purchase digital advertising or marketing materials for your business through our account or another central account. If so, you will pay us the costs of the advertising and marketing materials you purchase and we will remit them on your behalf to the vendor.
Transfer Fee	50% of the then-current franchise fee	Upon application for transfer	Payable if we approve your transfer request, but prior to execution of final transfer agreements and authorization. You will not pay a transfer fee for a transfer to a wholly owned entity. Transfers are subject to our right of first refusal.
Renewal Fee	50% of the then-current franchise fee	Upon execution of then current franchise agreement	Payable in immediately available funds upon execution of our then-current franchise agreement if we approve your renewal.
Local and Regional Advertising Cooperatives	As established by cooperative members	As established by cooperative members	Any contribution would be set by the cooperative on a vote of a majority of its members. All franchised, company-owned, and affiliate-owned outlets will have one vote each in any such cooperative. The maximum advertising cooperative fee that can be imposed is 2% of Gross Revenues per month.
Brand Standards Manual Replacement Fee	$500	As incurred	Payable if you request a replacement Brand Standards Manual.

Type of Fee[1]	Amount	Due Date	Remarks
Additional Attendees at Initial Training	$500 per person	As incurred prior to initial training	Payable only if you bring more than two people to our initial training program.
Additional Training	$500 per person per day plus out-of-pocket expenses and travel. We may charge up to a maximum of $750 dollars per day per person plus out-of-pocket expenses and travel.	As incurred prior to additional training	You will pay us the Additional Training Fee if you require or request additional training. We may increase this fee up to a maximum of $750 per person per day, plus out of-pocket expenses.
Convention	Up to $1,500	As incurred prior to the convention; may be paid by EFT	We may hold periodic conventions for franchisees. We reserve the right to charge you a fee for attendance and reserve the right to require attendance. We may charge this fee regardless of your attendance. Additionally, you will be responsible for all of the expenses of the people you send to the convention, including travel, lodging, and food.
Collections	Our actual fees, costs, and expenses	On demand	For costs and expenses incurred by us in collecting fees due to us, and/or to enforce the terms of the Franchise Agreement or a termination of the Franchise Agreement. Includes costs and expenses of re-inspections required by quality assurance audit.
Non-Compliance	Costs and expenses, not limited to attorneys' fees	Upon demand	Fees, costs and expenses incurred by us as a result of your breach or noncompliance with the terms of your Franchise Agreement.

Type of Fee[1]	Amount	Due Date	Remarks
Legal fees and expenses	Costs and expenses, not limited to attorneys' fees	As incurred; as court or arbitrator orders	Payable for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement
Interest	1.5% per month or highest rate allowed by law	As incurred	Interest accrues from the original due date until payment is received in full. Payable on all overdue amounts, fees, charges, and payments due to us under the Franchise Agreement. Interest rate cannot exceed legal rate allowed by law and may be adjusted to reflect same.
Reporting Non-Compliance	$150 per occurrence	Within 14 days of invoice	Payable for failure to timely submit Royalty and other reports and financial statements as required under Franchise Agreement.
Operations Non-Compliance	$450 to $1,000 per occurrence	Within 14 days of invoice	Payable for failure to comply with operational standards as required and specified under Franchise Agreement, plus inspection and re-inspection costs incurred by us.
Payment Non-Compliance	$150 per occurrence	Within 14 days of invoice	Payable for failure to timely pay, when due, a fee or payment due to us under the Franchise Agreement, plus interest, costs and legal fees.
Audit Fee	Our costs and expenses	At once if audit shows 2% or greater underreporting	The Audit Fee is paid by you if you underreport by 2% or more percent during any designated audit period. You also pay the underpayment with late fees and interest, if any. You must pay the fees incurred by us including audit, legal, travel, and reasonable accommodations.

Type of Fee[1]	Amount	Due Date	Remarks
Insufficient Funds	$50 per violation plus any fee charged us for uncollected funds	As incurred	Failure to have sufficient funds available for payments to us.
Relocation Fee	Our costs and expenses	Upon your submission of a letter requesting our consideration of a new location	Payable to us to defray our costs associated with evaluating and approving/rejecting your relocation proposal. Except in cases of emergency, you must occupy the new premises and open your business in the new premises before vacating your original premises.
Quality Assurance Audit	Our costs incurred by us	As invoiced	Payable if we engage a third-party to perform periodic quality assurance audits, including mystery shopper programs.
New Supplier/Product Evaluation Fee	Our cost and expenses	Within 14 days of invoice	If requested by you, you will pay all fees and costs incurred by us to obtain the necessary information and evaluate suppliers prior to giving approval for new suppliers and products.
Indemnification	Any and all types of damages, liabilities, losses, costs, and expenses we incur as a result of third parties claims or from your ownership and operations of the Franchised Business.	As incurred	You, your owners, and your guarantors must indemnify us and related parties for a broad range of claims related to your actions, omissions, ownership, and operations of the Franchised Business.
Post-Termination or Post-Expiration Expenses	Our actual costs and expenses	As incurred	You must pay all costs and expenses related to de-identifying the Franchised Business or otherwise complying with your post-termination or post-expiration obligations.

Type of Fee[1]	Amount	Due Date	Remarks
Enforcement Costs	Our costs and expenses	As incurred.	You must pay our costs of enforcement (including attorneys' fees and costs) if you do not comply with the Franchise Agreement. If we see no action on issues that tarnish our brand image or otherwise breach the Franchise Agreement, we reserve the right to engage our own lawyers at your expense to work on compliance. We may collect reimbursement from you by EFT for their fees.
Insurance Premium Reimbursement	Our out-of-pocket costs; varies according to plan and provider	Upon demand	You must purchase the insurance we require. If you do not purchase the insurance we require, we may purchase it on your behalf and you must reimburse us.
Tax Reimbursement	Our costs and expenses	Upon demand	If you fail to make a tax payment and we do so on your behalf, you must reimburse us.
Refurbishing Reimbursement	Our costs and expenses	Upon demand	If we must undertake any refurbishing work on your behalf, you will pay us our costs and expenses and an administrative fee of 15% for the total aggregate amount incurred by us. Additional late fees and interest will apply to any late payment of reimbursement.

Type of Fee[1]	Amount	Due Date	Remarks
Continued Operation After Expiration	150% of royalties per month	Monthly	If we permit you continue to operate the Franchised Business on a month-to-month basis after expiration of the Franchise Agreement, then you must pay to us, in addition to all Royalties and other fees due to us, a fee equal to 150% of the Royalties due for the same month for every month during the month-to-month operations, up to our then-current initial franchise fee.
Liquidated Damages	Will vary under the circumstances	Within 15 days after termination of the Franchise Agreement	Liquidated damages are determined by multiplying the combined monthly average of Royalty (without regard to any fee waivers or other reductions) that are owed by you to us during the 24 months of operation preceding the effective date of termination multiplied by the lesser of: (i) 36, or (ii) the number of full months remaining in the applicable Initial or Renewal Term of the Franchise Agreement.
Transfer Damages	15% of the price paid by the transferee or $25,000, whichever is greater.	Within 15 days of our demand.	Due only if you breach your transfer obligations to us. These are liquidated damages and not a penalty.
Re-inspection Costs	Our costs and expenses	As incurred	If you fail an inspection or are in default and we must re-inspect or inspect your business, you must reimburse us for our costs to do so.

Type of Fee[1]	Amount	Due Date	Remarks
Customer Complaint Fee	Varies, our costs and expenses	Upon demand	If a customer complains to us and you fail to satisfactorily remedy the complaint, you will pay us our costs to respond to the complaint.

NOTES:

Note 1: All fees and expenses described in Item 6 are non-refundable and unless otherwise indicated, are imposed uniformly by us. We reserve the right to adjust all fees for inflation.

Note 2: "Gross Revenues" means the total revenue generated by the CARE WITH LOVE business, including all revenue generated from the sale and provision of any and all approved products and services at or through the Franchised Business and all proceeds from any business interruption insurance related to the non-operation of the Franchised Business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" does not include (a) tips received by employees through their employment with the Franchised Business, (b) any sales tax and equivalent taxes that are collected by the CARE WITH LOVE business for or on behalf of any governmental taxing authority and paid thereto, or (c) discounts, allowances, and returns. "Gross Revenues" includes the amounts that are billed to clients or payors and is not adjusted for any uncollected amounts.

Franchisor and its affiliates reserve the right to increase the amount of any fee provided for hereunder, including, without limitation, the royalties, or Brand Fund contribution due Franchisor or an affiliate under this Agreement or a related agreement ("Inflation Adjustment"). An Inflation Adjustment shall be in relation to the changes in the Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor, the cost-of-living-adjustment ("COLA") using the COLA factors determined by the United States Department of Labor, or such other measure determined reliable by Franchisor, and occurring no more frequently than annually.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT [1]

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee	$49,000	$49,000	Lump sum	At signing of Franchise Agreement	Us
Construction, Leasehold Improvements[2]	$300	$8,900	As incurred	Before opening	Contractor/ Third-party providers
Furniture and Fixtures[3]	$3,150	$5,250	As incurred	Before opening	Contractor/ Third-party providers

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Equipment[4]	$2,500	$3,500	Lump Sum	Before opening	Contractor/ Third-party providers
Signage[5]	$1,600	$6,800	As incurred	Before opening	Third-party providers
Technology Fees[6]	$4,000	$4,000	As incurred	Before and after opening	Us
Opening Inventory	$500	$3,500	As incurred	Before opening	Third-party providers
Rent Deposits[7]	$2,880	$6,480	As incurred	Before opening	Landlord
Utility Deposits[8]	$140	$298	As incurred	Before opening	Utility providers
Insurance Deposits and Premiums[9]	$80	$405	As arranged	Before opening	Insurance company
Pre-opening Travel Expense[10]	$2,000	$5,200	As incurred	Before opening	Airline, hotel, restaurants
Professional Fees[11]	$5,000	$6,500	As arranged	Before opening	Attorneys, accountants,
Business Permits and Licenses[12]	$500	$5,000	As incurred	Before opening	Licensing Providers
Printing, Stationery, and Office Supplies	$1,700	$3,000	As incurred	Before opening	Third-party providers
Additional funds – 3 Months[13]	$62,193	$99,435	As incurred	After opening	Various
TOTAL	**$135,543**	**$207,268**			

NOTES:

Note 1: All fees and payments are non-refundable unless otherwise noted or allowed by third-party vendors. Table 1 represents your estimated initial investment through the third month of operation of one Franchised Business. Neither we nor our affiliate offer direct or indirect financing for your IFF or for any other payments you must make or costs you must incur in starting and operating your business.

Note 2: We estimate that you will rent a space of approximately 100 to 150 square feet in “vanilla box” condition, meaning that the space has access to a finished restroom, cement floor, ready to paint walls, working electrical outlets, lighting, plumbing, finished ceiling, heating, and air conditioning. The low estimate assumes that you will need make very few improvements to the space and the high estimate assumes you will need to undertake additional improvements. This estimate does not include the fees for any architects or general contractors that you may choose to use.

Note 3: The estimates assume that you will purchase office furniture and a couch. These estimates do not included transportation or set up charges.

Note 4: You will need to purchase Wi-Fi, a multifunction printer with fax and scanning capabilities, a telephone, and a laptop. These estimates do not included transportation or set up charges.

Note 5: These estimates include the costs for wall signage for the exterior of the building, interior signage like logos for the windows, interior brand identification like wall graphics, and vehicle wraps.

Note 6: This estimate reflects four months of Technology Fees. You will pay one month of Technology Fees prior to opening. The goods and services supported by the Technology Fee are subject to change from time to time, but currently include accounting, human resources, marketing, and customer relationship management software, among others. The estimates assume that you will not have additional users, employees, or clients that will require additional usage fees during the month prior to opening and the first three months of operations.

Note 7: These estimates represent the first month's rent, last month's rent, and one month's rent as a security deposit. The low estimate represents rent for a 100 square foot space at $115.20 per square foot and the high estimate represents rent for a 150 square foot space at $172.80 per square foot. Both estimates represent a site in suburban location.

Note 8: Our estimates are based on historical experience of our affiliate. Estimates will vary based on municipality and service provider.

Note 9: These estimates represent one month of premiums. These estimates are based on the experience of our affiliate and may vary based on your location, insurance provider, and other factors.

Note 10: These estimates represent travel and lodging expenses for one to two people to attend our ten day training in Fairfax, Virginia. These estimates do not include any labor costs.

Note 11: You will need to retain an attorney, an accountant and other consultants to help you to establish your Franchised Business. Your cost will depend on the location of the Franchised Business and the prevailing rates of local attorneys, accountants and consultants. Your costs for these services are typically nonrefundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring. The cost of business licenses and permits will vary by location and jurisdiction.

Note 12: You will need to obtain all business licenses necessary for operations, including any Personal Care License that is required by your state. You are responsible for investigating the availability and requirements for obtaining all necessary licenses in your state. If your jurisdiction has capped the issuance of new licenses, you may need to acquire a license from an existing care agency. The cost of buying a previously issued license might be significantly greater than the estimate in this table for a newly issued license. You should consider the availability and cost of required licenses before acquiring the franchise.

Note 13: You should have a three-month cash reserve to cover the operations of the CARE WITH LOVE business. Our estimates for the cash reserve you should have on hand include our estimates for rent, insurance, and utilities for the second and third months of operation. They also include estimates for the Technology Fee, local marketing expenditures, payroll, waste collection, cell phone service, internet access, and other miscellaneous expenses during your first through third months of operations. These estimates are offset by the revenues we estimate you will collect in the first three months of operation. These estimates do not include the cost associated with caregivers' transportation to and from clients' locations because we assume that each caregiver will supply their own transportation. Our estimates do not include any other charges or expenses, including finance charges, interest or debt service obligations or any other expenses. Your costs, and the amount you should have in reserve, will be affected by factors in the local market, your technical, marketing and general business skills, local economic conditions, local competition, local cost factors and where your Franchised Business is located. You should speak with a financial advisor to get a more accurate estimate of the amount you should have in reserve. The amounts shown in these and all other estimates in Item 7 are based on the experience of our affiliate.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Vendors, Products, Services, Equipment, and Supplies. You must purchase all goods, services, inventory, computer hardware or software, supplies, and equipment you use in or sell from the Franchised Business from the vendors we approve or designate, which may include us or our affiliates, in strict conformance with our confidential Brand Standards Manual, proprietary guidelines, and the standards and specifications issued to you. If you wish to offer or use any product or service in your CARE WITH LOVE business from a vendor not yet approved by us, then you must obtain our prior approval, in the manner we designate in our then-current Brand Standards Manual. We reserve the right to revoke approval for any item or supplier for any reason, and you must cease to use the item or supplier upon 30 days' notice from us. We reserve the right to modify the standards and specifications for all the goods, services, inventory, computer hardware or software, supplies, and equipment you use in or sell from your Franchised Business. Such standards and modifications, and any changes to them, will be provided to you in the Brand Standards Manual or in other written communication from us. You must comply with the changes after receiving notice from us. In limited circumstances, we currently issue specifications to approved suppliers.

Where we have designated a supplier, you must use that supplier. Where we have approved multiple suppliers, you must use one of the suppliers. Not purchasing or leasing your business's equipment, inventory, computer hardware and software, supplies, merchandise, or any other items from an approved or designated supplier, as applicable, would put you in violation of the Franchise Agreement.

Currently neither we nor our affiliates are an exclusive, designated, or approved supplier of goods and services. We reserve all rights to designate ourselves or our affiliates as approved, designated, or exclusive suppliers of any goods and services to you. We may provide you with access to certain technologies for the Technology Fee, but the suppliers of the technology are third parties.

We have designated suppliers for your marketing, vehicle wrapping, uniforms, apparel, payroll services, scheduling services, insurance, and accounting services. You must use these suppliers. You are also required to use the credit card processing service. we approve. We have also designated the suppliers of certain software products and other technologies.

Location. We must accept the location of your office. It is your responsibility to select your own location and the site must meet our standards and specifications. We have the right to require you and your landlord to provide in the lease that we shall have the right at our option and without compensation to you to take assignment of the lease should you materially default under the lease or should your franchise terminate or not be renewed for any reason. You are not allowed to relocate the business premises without our prior written approval.

Insurance. You are obligated to obtain and maintain at your own expense the types and amounts of insurance that we designate in our Brand Standards Manual or otherwise in writing. All policies (except any workers' compensation insurance) must name us as an additional insured and all shall contain a waiver of all subrogation rights against us and our successors and assigns. In addition to any other insurances that may be required by applicable law or by your landlord or clients, you must procure:

1) General liability insurance with the following limits:

    a) $1,000,000 for each occurrence;
    b) $100,000 for damage to rented premises;
    c) $5,000 for any one person for medical expenses;
    d) $1,000,000 for personal and advertising liability;
    e) $3,000,000 for general aggregate; and

2) Home Health Care professional liability insurance with limits of $1,000,000 for each occurrence and $3,000,000 in aggregate;

3) Physical and sexual abuse insurance with limits of $100,000 for each occurrence and $300,000 in aggregate;

4) Owned and non-owned automobile insurance with a combined single limit of at least $1,000,000, in addition to the insurance your state may require; and

5) Worker's compensation insurance that complies with the statutory requirements of the state in which your business is located.

We do not have a designated supplier for insurance, but we may provide recommendations. You must furnish us with certificates of insurance evidencing the existence and continuation of the insurance coverage we require as specified here and in our Brand Standards Manual. We require that you purchase insurance from a nationally recognized insurance company and, at all times during the Initial or Renewal Terms of this Agreement, maintain in force and pay the premiums for all types of insurance listed above. We may periodically increase or decrease the

amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time (i.e. cyber liability insurance or employer practices insurance). If you fail to obtain the required insurance, we may purchase it on your behalf and you must reimburse us.

Method of Approving Local Suppliers and All Vendors. If you want to use goods, services, supplies, fixtures, equipment, inventory, or computer systems or suppliers that we have not approved, you must first submit to us certain information, including product or service specifications, product or service components, product or service performance history, product samples, supplier information, and any other relevant information. We will evaluate the proposed item or supplier based upon certain criteria and determine if you are approved to use the alternate item or supplier. We do not make the criteria available to you. We do inform you that we generally evaluate technical and performance properties of the item, including design, appearance, product reliability, durability, the manufacturer's warranties, quality control methods, financial ability of the product's producers and distributors, supplier history and reputation, and supplier capacity. Our review is generally completed in 90 days. We will advise you in writing of our decision. We impose these restrictions to safeguard the integrity of both the System and our trademarks. We reserve the right to revoke approval for any item or supplier for any reason, and you must cease to use the item or supplier upon 30 days' notice from us. If you request that we evaluate an item or supplier, you will pay all fees and costs incurred by us to obtain the necessary information and to conduct the evaluation.

Revenue Derived. During the fiscal year ending December 31, 2025, we and our affiliates received $_____ in revenue as a result of franchisee purchases or leases. Our total revenue at the end of the fiscal year ending December 31, 2025, was $_____making the amount we received in revenue as a result of franchisee purchases or leases from us or our affiliates 0% of our total revenue. We and our affiliates may derive revenue from the products and services you are required to purchase or lease from us or from other vendors and suppliers. Currently we, our affiliates, and our owners do not receive any rebates, discounts, fees, commissions, payments, or other benefits from your purchase or lease of products or services from any supplier, although full rights to do so are reserved.

Interest in Suppliers. None of our affiliates, officers, or owners own any interest in any approved supplier of goods or services to our franchisees, although we reserve the right to do so in the future.

Required Purchase Percent of Revenue. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us represents between 45% and 60% of your total purchases in connection with the establishment of your business. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us represents between 25% and 35% of your total purchases in operating your business.

Purchasing or Distribution Cooperatives. Currently you are not required to participate in a purchasing or distribution cooperative. However, we have the right to require you to participate in a purchasing, or distribution cooperative in the future.

Miscellaneous. We may negotiate purchase agreements with suppliers, including price terms, for the benefit of the franchisees; however, we are not required to do so. We do not provide franchisees with any material benefits based upon a franchisee's use of approved suppliers.

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 AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	§§ 1, 6, Attachment 1, and Attachment 2	Items 7, 8, and 11
b. Pre-opening purchases/leases	§§ 4(a), 11(p), 12(a), 16, Attachment 2, and Attachment 5	Items 8 and 11
c. Site development and other pre-opening requirements	§§ 1 and 6	Items 7, 8 and 11
d. Initial and ongoing training	§§ 4(c) – (e), 11(h), and 11(y)	Item 11
e. Opening	§§ 1, 3(a)(i), 6(c), 8(c), and 17(e)	Items 5, 7, 11
f. Fees	§§ 2(b)(vii), 2(e), 3, 4(d), 6(f), 9(b), 13(d)(vii) 13(e), Attachment 1	Items 5, 6, 7, 8, and 17
g. Compliance with standards and policies/ Brand Standards Manual	§§ 1, 6, 7, 8(c), 8(f), 8(i), 11, and 12, Attachment 4	Items 6, 8, 11, 12, 13, 14, 15 and 16
h. Trademarks and proprietary information	§§1, 4, 7, 14, 15, 17, and 18, Attachment 4	Items 13 and 14
i. Restrictions on products/services offered	§§ 9, 10, 11 and 12	Items 8 and 16
j. Warranty and customer service requirements	§§ 11(f), (l), (t), and (v)	Item 15
k. Territory development and sales quota	§ 5	Items 1, 5, 12
l. Ongoing product/service purchases	§§ 10 and 12	Items 6, 7, 8, 11 and 16
m. Maintenance, appearance and remodeling requirements	§§ 2(b)(ix), 6(a), 6(f), and 13(d)(ix)	Item 9, 11

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
n. Insurance	§ 16	Items 6, 8, and 9
o. Advertising	§ 8 and Attachment 1	Items 6, 8, 9, and 11
p. Indemnification	§§ 6(a)(iv), 11(h), 17(f), and 19(b)	Items 6 and 9
q. Owner's participa-tion/management/ staffing	§§ 11(g) – (j), 11(u), 11(y) and 11(z)	Item 15
r. Records and reports	§§ 11(g),11(o), and 11(r)(vi), and 15, Attachment 6	Items 6, 9, and 17
s. Inspections and audits	§§ 4(f), 6(d) and (e), 11(o) and (r)(vi), and 17(g)	Items 6, 9 and 17
t. Transfer	§§ 13, 17(b)(iv), 17(c)(iv)	Item 17
u. Renewal	§ 2 and Attachment 1	Item 17
v. Post-termination obligations	§ 18 and Attachment 1, 2, 4, 6 and 7	Item 17
w. Non-competition covenants	§§ 14 and 15, Attachment 4 and 7	Item 17
x. Dispute resolution	§ 21	Items 6 and 17
y. Guaranty	§§ 1, 6, Attachment 1, 2, and 3	Items 7, 8, and 11

ITEM 10. FINANCING

Neither we nor any of our affiliates offer direct or indirect financing. Neither we nor any of our affiliates will guarantee your lease, note, or other obligations.

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

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

Pre-Opening Assistance

After you sign your franchise agreement, but before you open your business, we will provide the following assistance to you:

1. Site Selection. We will accept a location for your office. It is your responsibility to select and outfit your own location in accordance with our specifications and standards. We are

not required to provide or assist you in locating a site, obtaining your business premises, or negotiating a lease. We do not generally own or lease the buildings in which our franchisees operate. We must accept the site location and, if you do not own the premises, the lease. Generally, we will accept or not accept a site within 15 days of receiving the request, but have up to 30 days to do so. In the event we do not accept a proposed site by written notice to you within 30 days such site shall be deemed not accepted by us. If we cannot agree on a site, you will be in default of the Franchise Agreement and the agreement could be terminated. It is your sole responsibility to ensure that your premises conform to local ordinances and building codes as well as obtain any required permits. It is also your responsibility to construct, remodel and equip the premises. Some of the factors we consider in approving sites include general location and neighborhood, traffic patterns, population, size, available parking, and lease terms. You must receive our approval of your location and lease and commence operations within 90 days of signing the Franchise Agreement. We generally anticipate that most franchisees will be able to commence operations within 30 days of signing the Franchise Agreement. If you fail to commence operations within 90 days from signing the Franchise Agreement you will be in breach, we may, in our sole discretion: (1) allow more time; or (2) terminate your franchise agreement without any refund to you. (Franchise Agreement Sections 1 and 6).

2. Training.

The CARE WITH LOVE initial, pre-opening training program will be held in Fairfax, VA over the course of 2 weeks. Some of the training may occur virtually. We typically schedule training (4) four to six (6) times a year, approximately every eight (8) to twelve (12) weeks. We expect to conduct the initial training after you have completed pre-opening activities such as: finding your office space, and obtaining state license(s), accreditation, and software to operate the business.

At least one franchise owner and the Operating Manager will need to attend training. The Operations Manager may be an owner. A pre-opening checklist contained in the Brand Standards Manual, provided after you sign the Franchise Agreement, will help you complete critical steps and prepare for initial training. Ideally, you will attend training 3 to 5 weeks prior to launch. If you send more than two people to the initial training, you will pay an additional fee for each person. All training must be completed to our satisfaction, if you do not complete training to our satisfaction, you must retake such portion of training at your expense, at our Additional Training fee.

Nefr Israel Michaels will oversee initial training. She has over six years of experience in the home health and personal care industries and with the CARE WITH LOVE brand. The Brand Standards Manual will be the basis of our instruction, reinforced with hands-on training including observation and visual instruction. Supplemental virtual and/or online training may be offered for completion prior to attending the in-person portion of the program.

Refer to the following chart for topics covered:

TRAINING PROGRAM

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Introduction: Welcome, Our Brand Culture, History, Mission and Vision	2	0	Fairfax, VA; Virtually
Marketing: Advertising, Networking, Our Services, Building Client and Referral Relationships	4	4	Fairfax, VA; Virtually
Personnel: Scheduling, Team Management and Development	2	2	Fairfax, VA; Virtually
Operations Management: Licensing, Supplier Relationships, Safety and Security	5	15	Fairfax, VA; Virtually
Daily Operations: Sales Techniques, Providing Services, Personal Care Procedures, Documentation, Office Procedures	5	25	Fairfax, VA; Virtually
Financial Management: Fiscal Responsibility, Billing and Insurance Paperwork, Goal Setting, Franchise Reporting and Royalty	4	6	Fairfax, VA; Virtually
Assessment: Review, Next Steps in Planning Launch	2	2	Fairfax, VA; Virtually
TOTAL HOURS	**24**	**54**	
TOTAL	**78**		

We will provide two days of on-site support following the conclusion of your pre-opening process. All trainees must have successfully completed the above training program and the pre-opening requirements. At the conclusion, we will assess: ability to conduct daily procedures, management of anticipated scheduling needs, minimum/certified staff, initial supplies and materials to commence operations. If approved, you may launch; if not approved, we may require additional training.

3. Brand Standards Manual. We will lend you our Brand Standards Manual. (Franchise Agreement Section 11(a).) Our Brand Standards Manual contain mandatory and suggested specifications, standards, and procedures. Our Brand Standards Manual are confidential and remain our property. Your employees are to see them only on a need-to-know basis, subject to confidentiality agreements. We may modify this material from time to time and the modified

terms are binding on you. The Brand Standards Manual currently contain a total of 140 pages. Exhibit H contains the Table of Contents for our Brand Standards Manual. We may periodically amend, update, or replace the contents of the Brand Standards Manual. After written notice from us, you must comply with each amended, updated or replaced provision. Revisions to the Brand Standards Manual will be based on what we, in our sole discretion, deem is in the best interests of the System, including promoting quality, enhancing good will, increasing efficiency, decreasing administrative burdens, or improving our and our franchisees' profitability.

4. List of Approved Vendors and Suppliers and Specifications. Before you begin operating the Franchised Business, we will provide you with a copy of our list of approved vendors and suppliers and standards and specifications for all required or recommended supplies, equipment, technology, signage, and other goods and services. (Franchise Agreement Section 4.)

5. Additional Assistance. We are not required to provide you other supervision, assistance, or services prior to the opening of the Franchised Business. (Franchise Agreement Section 4.) However, if requested, we will advise on additional topics related to the opening of your Franchised Business, including but not limited to purchasing equipment or inventory and hiring and training employees. We may, but are not obligated to, provide you additional training in the event you fail to meet the Minimal Performance Standards. (Franchise Agreement Section 11(aa).) To the extent permissible under applicable law, we reserve the right to set promotional and maximum and minimum prices/fees for certain products and services. Our current policy is to allow you to set the prices for your products and services, but we reserve the right to approve pricing requests on a case-by-case basis. We do not assist you in hiring your employees.

Post-Opening Assistance

During the operation of the Franchised Business under your Franchise Agreement, we will provide you with the following assistance:

1. Advice. We will provide advice and consultation services to you. If you request advice or consultation service that requires us to make our staff present at your Franchised Business, we may charge you our additional training fee. (Franchise Agreement Section 4(d) and (e).)

2. Advertising Materials. We will make available to you from time-to-time advertising materials we prepare for use by CARE WITH LOVE franchisees generally. You may use such materials in any local advertising. You will pay for all associated costs. We have the sole discretion to determine the advertising products, media, and geographical markets for the advertising. We have no obligation to supply you with any advertising material produced for us at our sole expense. (Franchise Agreement Section 8.)

You may develop advertising materials for your own use at your own cost. We require you to submit advertising and promotional materials to us in advance and to obtain our approval before using them. If we do not approve of your marketing materials within 20 days after you submit them to us, then they are deemed disapproved, and you may not use such materials. You are required to follow our instructions in connection with any advertising or promotional materials we provide for your use. (Franchise Agreement Section 8(d) and (f).) Failure to follow our

instructions regarding pre-approval of advertising materials will result in fines. Imposition of these fines will in no way waive our right to consider your use of unapproved advertising as a default-triggering event. (Franchise Agreement Section 23(m).)

3. System Improvements. We will make available to you from time to time all improvements and additions to the System to the same extent and in the same manner as they are made available to CARE WITH LOVE franchisees generally. We reserve the right to require you to refurbish your business up to two times during the term of the Franchise Agreement, which is in addition to the regular maintenance you must undertake and the implementation of new goods and services we require. There is not a cap on the amount that you may be required to spend to refurbish your business. (Franchise Agreement Sections 6(f) and 11(d).)

Optional Assistance

1. Additional Training. During the Initial or Renewal Term of your Franchise Agreement, we may offer additional training as we see fit or as you request. We will charge you our then-current additional training fee. You must pay for it at the time of the training, unless alternative billing arrangements are agreed to. Also, you bear all indirect training costs and expenses, such as salary expenses of your employees and all expenses of travel, lodging, meals and other living expenses you and your designee incur. While most additional training is optional, you may be required to attend the additional training and pay our associated fee. (Franchise Agreement Section 4.)

2. Conferences and Conventions. While we are not required to do so, from time to time we may offer conferences and other training courses relating to our industry and to the conduct of the Franchised Business. You are required to attend all conferences and other required training courses. These courses may be conducted by our employees and/or by other trainers and will address various aspects of our business and other topics of interest to franchisees. We have the right to charge you a tuition fee for each attendee, whether or not the attendee is required to attend. Additionally, you will be responsible for all transportation, lodging, food and other costs incurred by you and your employees in attending such event. (Franchise Agreement Section 4(d).)

3. Social Media. We also may maintain one or more social media sites (e.g., www.twitter.com; www.facebook.com, or such other social media sites). You may not establish or maintain any social media sites utilizing any usernames, or otherwise associating with the Marks, without our advance written consent. We may designate from time to time regional or territory-specific usernames/handles to be maintained by you. You must adhere to the social media policies established from time to time by us and you will require all of your employees to adhere to the social media policy as well. (Franchise Agreement Section 8(i).)

4. Online Presence. We may maintain a website in order to promote the Marks, or any or all of the Franchised Businesses within the System. We may also develop and maintain any other type of online, internet, virtual, or digital presence (each an "Online Presence") as we see fit. An Online Presence includes but is not limited to (1) the website, other webpages, or domain names; (2) accounts, pages, or profiles on social media sites; social networking sites; news sites and groups; online, internet, or digital directories; video, audio, photography, and messaging services; blogs; or forums; (3) e-commerce sites or accounts; (4) digital or online advertising and

marketing content and services; (5) mobile applications; (6) virtual reality platforms; (7) any identifiers of an Online Presence; or (8) a presence on any other type of online, internet, virtual, or digital tool, good, or service that may be developed. We will have the sole right to control all aspects of each Online Presence, including its design, content, functionality, links to any other Online Presence, legal notices, and policies and terms of usage. We will also have the right to discontinue operation of any Online Presence at any time without notice to you. You may not establish or operate an Online Presence (including a website, webpage, domain name, Internet address, social media account, blog, forum, advertisement, e-commerce site, or email address) that in any way concerns, discusses, or alludes to us, the System, or your Franchised Business without our written consent. The Marks may not be used as part of, in conjunction with, to establish, or to operate any Online Presence, except as specifically approved by us. You may not post, and must take such steps as necessary to ensure that your employees do not post, any information on an Online Presence relating to us, the System, the Marks, or the Franchised Business that (a) does not comply with our brand, social media, or Online Presence guidelines; (b) is derogatory, disparaging, or critical of us, the System, or the Marks; (c) is offensive, inflammatory or indecent; or (d) harms the goodwill and/or public image of the System and/or the Marks.

For any Online Presence or email address you are approved to create, use, or maintain, we reserve the right to be exercised at our option to have the Online Presence or email address directly owned by us or to require it to be transferred to us after the expiration or termination of the Franchise Agreement. We have the right to require that any Online Presence or email address we permit you to use, create or maintain be registered in our name. Upon request, you must provide us with any login credentials for any Online Presence or email address you are authorized to use. We have the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of our policies and we may take ownership of any Online Presence upon expiration or termination of the Franchise Agreement or during the Initial Term or Renewal Term of the Franchise Agreement and operate it as we see fit. (Franchise Agreement Section 8(h).)

5. Franchise System Website. We and our affiliates may establish one or more websites (1) to advertise, market, and promote CARE WITH LOVE businesses, their products and services, the brand, and/or the CARE WITH LOVE franchise opportunity, and (2) for any other purposes we consider appropriate or necessary for the CARE WITH LOVE System or other business activities in which we engage (each a "Franchise System Website"). If we establish a Franchise System Website, we may give you a separate interior webpage (accessible only through the Franchise System Website) referencing your Franchised Business and/or otherwise allow you to participate in the Franchise System Website. The purpose of the Franchise System Website is solely to promote your Franchised Business and to provide customers information related to your Franchised Business. The Franchise System Website may not contain content which references any other business other than your Franchised Business. You must give us the information and materials we request for you to participate in the Franchise System Website. By giving us information and materials, you represent they are accurate and not misleading and do not infringe another party's rights. We will own all intellectual property and other rights in the Franchise System Website, your webpage, and all information they contain (including the log of "hits" by visitors and any personal or business data visitors supply). We will control, and may use Brand Fund contributions to develop, maintain, operate, update, and market, the Franchise System Website, including your webpage. We will update the information on your webpage, if any, or add

information we approve as frequently as we deem appropriate. You must notify us whenever any information on your webpage changes or is not accurate. We have final approval rights over all information on the Franchise System Website, including your webpage (if any). Our standards and specifications may regulate use and operation of the Franchise System Website. We will maintain your webpage, if any, and otherwise allow you to participate in the Franchise System Website only while you are substantially complying with the Franchise Agreement and all system standards and specifications (including those for the Franchise System Website). If you are in material default of any obligation, we may temporarily suspend your participation in the Franchise System Website until you fully cure the default. We will permanently terminate your access to and participation in the Franchise System Website when the Franchise Agreement expires, terminated, or is not renewed. All marketing and other materials you develop for your Franchised Business must contain notices of the Franchise System Website's domain name(s). You may not develop, maintain, link to, or authorize any other website mentioning or describing you or your Franchised Business or displaying any of the Marks. (Franchise Agreement – Section 8(j))

6. Computer Systems / Technology. You must obtain and use the Technology we require from time to time. "Technology" means hardware; electronics; computer systems; mobile devices; applications; software, online services, and cloud-based systems; communications links, systems, providers, and applications; robotics; automation; and other technologies available now or developed in the future. We may modify specifications for and components of the Technology. Our modification of specifications for the Technology might require you to purchase, lease, and/or license new or modified Technologies and to obtain service and support for the Technologies. There are no limitations on the frequency or cost of your obligations to change, upgrade, and update your Technologies. We have no obligation to provide ongoing maintenance, repairs, upgrades, or updates to your Technologies.

Currently, the required Technology includes Wi-Fi, a multifunction printer with fax and scanning capabilities, a telephone, and a laptop. We estimate that the initial cost of these items will be between $2,500 and $3,500. Your payment of the Technology Fee current supports email accounts, a texting platform, and software for electronic signature, accounting, human resources, marketing, customer relationship management, and automobile tracking. You will pay us a minimum of $1,000 per month as a Technology Fee. You may pay more if the actual costs to use the goods and services are more. The Technology Fee may also increase based on the number of clients that you develop.

We may develop proprietary or non-proprietary Technologies. Accordingly, we may require that you enter into a license agreement with us or our affiliate, which may require you to pay us commercially reasonable fees and/or enter into license agreements directly with vendors. Additionally, if we enter into a license agreement with a vendor and sublicense the Technology to you, we may charge you for all amounts we pay to the vendor based on your use, plus a reasonable amount to compensate us for the services that we or our affiliate provide.

Despite the fact that you must buy, use, and maintain the Technologies according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Technologies; (2) the manner in which your Technologies interface with our and any third party's computer system; and (3) any and all consequences if the Technologies are not properly operated, maintained, and upgraded. We

recommend that you back up your data locally, which may require you to purchase a "back-up" subscription service. We are not responsible under any circumstances for any malfunction or "crash" of the CARE WITH LOVE system, including for any business data lost as a result of that malfunction or "crash."

You will grant us and we will have access to the information collected by your Technologies. There are no other contractual limitations on our right to access your Technologies for this information and data. You must disclose to us any passwords or codes associated with the Technologies. We have the free and unfettered right to independently retrieve any data and information from your Technologies as we, in our sole discretion, deem appropriate.

Development Schedule

We estimate that between 30 and 90 days will elapse from when you sign the Franchise Agreement to the opening of your business for business. You must apply for any applicable Personal Care Licenses within 30 days of signing the Franchise Agreement. Your franchised business must be opened for business not later than 90 days after you sign the Franchise Agreement. You may not open your business for business until: (1) we determine that your business has been equipped and stocked with materials and supplies in accordance with specifications we have approved; (2) the initial training program we provided has been completed to our satisfaction by all required persons; (3) the IFF and all other amounts due to us have been paid; (4) you have furnished us with all certificates of insurance required by the Franchise Agreement; (5) you have obtained all necessary governmental permits, licenses and authorizations for the operation of your business, including Personal Care Licenses; (6) you are in full compliance with all the terms of the Franchise Agreement; and (7) all items in our opening checklist have been completed to our satisfaction. (Franchise Agreement Sections 1 and 6.)

The factors that may increase or decrease the time periods discussed above are: the amount of time and effort you commit to the site selection process and any needed upfit of the business premises; the availability of acceptable sites within the geographical area you choose; your ability to obtain a lease and associated financing; your credit and personal financials, and zoning and licensing requirements. Delays or a lack of effort by you, your contractors or your prospective landlord will increase these time periods. If you change your employment, business, or financial status before the opening of your Franchised Business, you do so at your own risk. Any and all such changes should be made only as a result of careful thought and advanced planning after obtaining advice from appropriate professional advisors.

Advertising and the Brand Fund

1. Brand Fund. We have established the Brand Fund. The current contribution is 1% of your Gross Revenues. We may raise the Brand Fund contribution to a maximum of 2% of your Gross Revenues. Other franchisees' Brand Fund contributions may be calculated at a different rate or on a different basis. We have the sole discretion to settle or forgive any accrued and unpaid Brand Fund contributions owed by a franchisee.

With any Brand Fund contributions paid, we have the sole discretion on how and where the money is spent to promote, enhance, or further the growth of the CARE WITH LOVE brand,

businesses, and System. We are not required to make expenditures for you that are equivalent or proportionate to your Brand Fund contributions or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising. Our use of the Brand Fund contributions may include, without limitation: (1) research; (2) promotional marketing, public relationships and advertising expenses; (3) hiring marketing, public relations, and advertising agencies, technology companies, or in-house personnel to assist in developing the CARE WITH LOVE brand name; (4) developing, evaluating, or using technologies that we believe may benefit the brand, the clients, the franchisees, or the brand's reputation, including, without limitation, developing, implementing, operating, and maintaining an intranet and/or extranet; (5) expenses associated with listings in online directories, digital marketing content, influencer marketing, radio, billboard, TV, print, direct mail, or internet advertising, and events and promotions designed to garner media attention and promote the brand name; (6) expenses associated with conducting market research; (7) travel expenses in connection with promotions and marketing meetings, training, development of trademarks and trademarked materials; (8) production of marketing, public relations, digital, or social media content, including but not limited to advertisements, coupons, and promotional materials (including point of purchase materials); (9) technology development and enhancements for the brand; (10) expenses incurred in developing and maintaining non-franchise sales portions of any Online Presence, social media pages, SEO software or services, and technology development and services for the brand ; (11) developing and implementing centralized billing, booking, scheduling, and calling systems; (12) expenses incurred in using search engine optimization and pay per click advertising software, services or companies to help promote the brand; (13) the purchase of customer lists, leads, and other assets from an existing, competitive business, including the payment of all costs and fees (including attorney's fees) incurred in connection with such purchase; (14) the cost of developing and/or maintaining promotional programs; (15) maintaining quality of customer service and brand confidence; and (16) for any other use Franchisor determines in its sole discretion. (Franchise Agreement Section 8(a)(iii)).

While we do not anticipate that any part of Brand Fund contributions will be used for advertising which is principally a solicitation for franchisees, we reserve the right to use the Brand Fund for public relations or recognition of the CARE WITH LOVE brand, for the creation and maintenance of a website, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating "Franchises Available" or similar language.

We may occasionally provide for placement of advertising on behalf of the entire franchise system, including franchisees; however, we are more likely to provide you with advertising content to use in your local territory. You will be responsible for implementing any promotional or public relations programs or placing any advertising content we create, at your own expense. If we create any advertising content, which we are not obligated to do, you will receive one sample of the advertising content at no charge. You must pay for the duplication and distribution of the content. (Franchise Agreement Section 8.)

The Brand Fund is administered by our accounting and marketing personnel under our direction. Our personnel has the sole judgement and discretion over creative concepts, advertising, and marketing materials, media used, placement, allocation, and the composition of all geographic and market areas in which advertising, marketing, or promotional activities are implemented. The Brand Fund is not audited. Unless required by state law, we are not required to provide you with

any accounting of the expenditures of the Brand Fund and you have no right to an accounting. We will not use your Brand Fund contributions to defray any of our operating expenses, except for reasonable administrative costs and overhead incurred in administering or managing the Brand Fund, including, without limitation, the costs of personnel we hire or contract to develop and implement programs funded by the Brand Fund, as well as expenses incurred in collecting Brand Fund contributions, including attorneys', auditors', and accountants' fees. Brand Fund monies not spent in the fiscal year in which they accrue are carried forward to cover marketing expenses in future years. Although the Brand Fund is intended to be perpetual, we may terminate it at any time. We may have the Brand Fund borrow from us or other lenders to cover any Brand Fund deficits. We may have the Brand Fund invest any surplus for the Brand Fund's future use. Our company-owned outlets are not required to contribute to the Brand Fund on the same basis as you.

During 2025, we expended a total of $57,410.87 from the Brand Fund. We made expenditures from the Brand Fund as follows:

USE	**PERCENTAGE OF TOTAL EXPENDITURES**
Production[1]	1.3%
Media Placement[2]	27%
Administration[3]	50.2%
Other[4]	21.5%
TOTAL	**100%**

Note 1: Production includes business cards, brochures, and monthly campaigns.
Note 2: Media Placement includes newsletters, blogs, our website, SEO, and social media.
Note 3: Administration includes the Marketing Manager's Salary as prorated by the time spent by the Marketing Manager associated with franchise marketing.
Note 4: Other expenses include administration fees such as franchise attorney fees.

2. Advisory Council. We currently do not have an advisory council composed of franchisees that advises us on advertising policies. If we form or approve an advisory council, we may require you to participate. Any advisory council would not have decision-making power. It would be advisory only. We have the right to form, change or dissolve any advisory council. (Franchise Agreement Section 11(q).)

3. Local Advertising Requirement. All advertising that you use must be approved or prepared by us. You must spend 1% of your Gross Revenues on local advertising. We will generally measure your expenditures on a monthly basis but may do so on a seasonal basis. We may require that you submit documentation to us to verify to us that you are meeting this requirement. We reserve the right to designate the way you spend any required amounts on local advertising. Any required local marketing expenditures will not count towards the contribution you must pay toward the Brand Fund. (Franchise Agreement Section 8(c).)

4. Local Advertising Cooperatives. While we have not yet established any local advertising cooperatives, we have the right to require that cooperatives be formed, changed, dissolved, or merged. The membership of the cooperative is likely to be defined regionally and

will be made in our sole discretion. If you are required to participate in a cooperative, the amount of your contribution is established by the cooperative, up to a maximum fee of 2% of Gross Revenues. Franchisees and franchisor- or affiliate-owned outlets will contribute at the same rate as other members in the cooperative. Each cooperative is required to adopt written governing documents which are available for your review. Each cooperative would determine its own voting procedures; however, each CARE WITH LOVE business is entitled to one vote in any local advertising cooperative in which it is a member. The members and their elected officials are responsible for administration of the cooperative. All members of the cooperative will contribute amounts according to the rules established by the members of the cooperative. Cooperatives are required to prepare quarterly and annual financial statements and these will be available to all businesses in the cooperative. The cooperative is not a trust fund. We and our affiliates have no fiduciary duty to you or any franchisee in connection with the collection or use of the cooperative monies or any aspect of the operation of the cooperative. We have the sole discretion to exempt any CARE WITH LOVE business from the requirement to participate in a cooperative. (Franchise Agreement Section 8(b).)

5. Advertising Expenditures and Allocation Adjustments. To the extent that all required advertising expenditures (i.e., Brand Fund contributions, local advertising cooperative fee, and local advertising expenditures) continue to be expressed as a percentage of Gross Revenues, the aggregate amount that we may require you to spend to advertise, market, and promote your Franchised Business during the Initial Term will generally not exceed 7% of Gross Revenues per month. The exception occurs in the two months each year in which Brand Fund contributions are effectively made three times due to their biweekly schedule; in those months, the aggregate amount we may require you to spend may be up to 9% of Gross Revenues per month. We have the right as we deem best, upon notice to you, to adjust (i.e., increase or decrease) the percentages among these three required categories of advertising expenditures at any time and from to time during the Initial Term within the applicable 7% or 9% monthly cap. In other words, Franchisor has the right, for example, to increase Franchisee's required Brand Fund contribution up to 7% or 9%, as applicable, of your Franchised Businesses' Monthly Gross Revenues as long as we concurrently and proportionally reduces your required local advertising cooperative fee and local advertising expenditures.

ITEM 12. TERRITORY

We will grant to you a territory that we designate in Attachment 1 to the Franchise Agreement ("Territory"). Within your Territory, other than at a Non-Traditional Location described below, we will not establish or operate, or license any other person to establish or operate, a CARE WITH LOVE-branded business operating under the System and the Marks that provides non-medical, personal care services at clients' private homes.

Typically, that Territory will consist of up to 300,000 people, of which 25,000 will be age 65 or older. We will generally designate your Territory as a set of zip codes, but reserve the right to do otherwise. Additionally, we reserve the right to account for the impact of natural boundaries (lakes, rivers, mountain ranges, etc.) when we establish the Territory. We reserve the right to grant you a Territory with a smaller or greater population, as mutually agreed upon by you and us. Your territorial rights do not depend on the achievement of a certain sales volume, market penetration, or any other contingency. We cannot modify your territorial rights during the Initial Term of the

Franchise Agreement, unless you breach the Franchise Agreement. We can also modify your Territory upon renewal. In the event of breach under the Franchise Agreement, we have the right to modify your territory.

The Franchised Business is to be operated as a personal care business that provides services at clients' homes. You must offer and sell products and services only in accordance with the requirements of the Franchise Agreement and the Brand Standards Manual. You agree not to sell any items or services through brick-and-mortar sales or any other channel of distribution, including the Internet, catalog sales, telemarketing, wholesale, or other direct marketing.

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

Out of Territory Activities. You may not advertise, solicit, or market outside your Territory. You may not sell products or provide personal care services to anyone outside your Territory unless we grant you prior written permission to do so. If you obtain our prior written permission, you must follow our policies regarding any out-of-Territory activity. If we grant you permission to sell goods and services outside of your Territory, you do not gain any territory or exclusivity rights. For example, (a) if you received our prior written permission to service a client who lived in an area that was not originally in the protected territory of any franchisee, and (b) then that region became the territory of another franchisee, you would need to cease providing services to that client and refer him or her to the new franchisee. We have the right to terminate or suspend your approval to conduct any out-of-Territory activities.

National Account Program. At our option and not obligation, we may establish National Accounts within your Territory and the territories of other franchisees. You will have the first right to service these accounts, but you must do so in accordance with the terms of the contract we have with the National Account customer, including at the established prices. If there is no established price, you may provide services for your standard rate. We and our affiliates may solicit customers located in your Territory, whether or not you currently provide services to them, in order to develop them into National Accounts.

If (a) you decline to service a National Account customer, (b) you do not service the National Account customer in accordance with our standards, (c) we reasonably determine that you are not able to reliably service the National Account customer, or (d) the National Account customer requests that you not fulfill the service, we reserve the right to designate another party to service the National Account customer in the Territory from that time on without paying any compensation to you. These designated parties could be us, our affiliate, another franchisee, or other business. Services provided by the designated parties are not a breach of the Franchise Agreement.

Rights Reserved by Us. Regardless of either proximity to your Territory, or any actual or threatened impact on sales of your business, we retain the right all rights not expressly granted to you, including, among others, to:

(a) use the Marks and System in connection with establishing and operating CARE WITH LOVE businesses at any location outside the Territory;

(b) use the Marks or other marks in connection with selling or distributing any goods (including branded merchandise or products) or services anywhere in the world (including within the Territory), whether or not you also offer them, through channels of distribution other than a CARE WITH LOVE-branded business that operates using the Marks and the System by providing non-medical, personal care services at clients' private homes, including, for example, brick-and-mortar locations, catalogs, mail order, or the Internet or other electronic means;

(c) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory);

(d) use the Marks to establish or operate or license other persons to establish or operate a business offering other types of care that you are not authorized under the System to provide, including but not limited to, Skilled Care, medical care facilities, or healthcare related staffing, anywhere in the world (including within the Territory);

(e) service National Account customers through parties we designate under the circumstances described above;

(f) use the Marks in connection with soliciting or directing advertising or promotional materials to clients anywhere in the world (including within the Territory);

(g) establish or operate, or license other persons to establish or operate, a CARE WITH LOVE business within any malls, hospitals, schools, airports, military bases, and similar limited access venues ("Non-Traditional Location") anywhere in the world (including within the Territory) ; and

(h) whether through ourselves, our affiliates, or third parties, through any channel of distribution, use the Marks or other marks to offer, sell, and provide goods and services other than those you are authorized to offer and sell under the then-current System.

We have the right to sell or license others to sell products, services, or franchises within your Territory under trademarks that are different than the Marks. We are not obligated to compensate you if we solicit or accept orders in the Territory. If we decide to exercise these rights, we will not be obligated to compensate you for such sales made inside or outside your Territory.

Neither we nor our affiliates operate, franchise, or plan to operate or franchise businesses under a different trademark that will sell goods and services that are the same as or similar to those you will sell under the CARE WITH LOVE trademarks. However, we reserve all rights to do so in the future.

Minimum Performance Standards. You are required to meet certain Minimum Performance Standards as described below. If you do not meet the Minimum Performance Standards, we reserve the right, but not the obligation, to: (a) offer and provide you with our then-current performance improvement program, which you must successfully complete to cure your default; (b) not renew your Franchise Agreement; and/or (c) terminate your franchise agreement.

The Minimum Performance Standards are as follows:

Term Year	Minimal Performance Gross Revenue Amount
1	$0
2	$480,000.00
3	$648,000.00
4	$842,400.00
5	$1,010,880.00
6	$1,213,056.00
7	$1,334,361.60
8	$1,467,797.76
9	$1,614,577.54
10	$1,776,035.29

Miscellaneous: You may not relocate the business premises without our written approval. You do not have any option, right of first refusal, or similar rights to acquire additional franchises within the Territory or contiguous territories.

ITEM 13. TRADEMARKS

IP Co. owns all of the trademarks used by us and our franchisees. By a license agreement, IP Co. has granted us the license to use and sublicense the use of all of its intellectual property that is or may be associated with the System or the proprietary marks (the "IP License Agreement"). The trademarks and service marks listed below and any additional trademarks and service marks are referred to herein as the "Marks". The IP License Agreement grants us the right to sublicense the Marks to franchise locations. All rights in and goodwill from the use of our Marks ultimately accrue to IP Co. as the trademark owner. If the IP License Agreement is terminated, the sublicenses with our franchisees will remain until the termination or expiration of their franchise agreements.

Upon execution of our Franchise Agreement, we will sublicense to you the limited right to use the following registered Marks, for which we have obtained a registration on the Principal Register of the United States Patent and Trademark Office:

REGISTRATION NO.	REGISTRATION DATE	MARK
5732397	April 23, 2019	Care with LOVE
6844389	September 13, 2022	CARE WITH LOVE

Presently, other than the IP License Agreement described above, there are no agreements in effect that significantly limit our rights to use or license the use of the Marks listed in this Item in a manner material to the franchise. All uses of the Marks of which we are aware occur with our permission. We know of no infringing use of the Marks that could materially affect your use of them.

Our affiliate intends to file all necessary affidavits of use and renewal applications when they become due. There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, or the Trademark Administrator of any state or any court, nor are there any pending infringement, opposition, or cancellation proceedings or material litigation, involving any of the above Marks. None of the registrations are due for renewal.

A federal or state trademark or service mark registration does not necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Prior to entering into the Franchise Agreement, you should check and be sure that there are no existing uses of our marks or names or any marks or names confusingly similar to any of them within the market area where you want to do business. If you find any similar names or marks, you must immediately notify us. Any action to be taken in that event is strictly within our discretion.

Your right to use the Marks is derived solely from Franchise Agreements entered into between you and us for the purpose of operating a CARE WITH LOVE Franchised Business. You must follow our rules and regulations with respect to the use of the Marks. You may not use any Mark in connection with any business or activity, other than the business conducted by you according to Franchise Agreements entered into between you and us, or in any other manner not explicitly authorized in writing by us. You cannot use any of the Marks or any other marks, names, or indicia of origin that are or may be confusingly similar to the Marks as part of a corporate name or other legal name. After the termination, non-renewal, or expiration of the Franchise Agreement, you may not, except with respect to the Franchised Businesses operated by you according to Franchise Agreements granted by us, at any time or in any manner identify yourself or any business as a franchisee or former franchisee of, or otherwise associated with, us or use in any manner or for any purpose any Mark or other distinguishing signs of our Franchised Business or any colorable imitation of same.

You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Marks. You must promptly notify us of any claim of apparent infringement or claim of any person to rights in a similar trade name, trademark, or service Mark. Our affiliate has the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. Our affiliate has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks or challenge your use of the Marks or make claims about unfair competition arising out of your use of the Marks. You may not communicate with any person other than us, our affiliate, and our counsel in connection with any such infringement, challenge or claim.

If you comply with the Franchise Agreement, we must indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding in which your use

of any Mark in compliance with the Franchise Agreement is held to constitute trademark infringement.

We reserve the right to substitute different proprietary marks for use in identifying the System and the business operating under it if we, in our sole discretion, determine that substitution of different marks as Marks will be beneficial to the System. You must comply with such change, revision, or substitution and bear all expenses associated with such changes.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent, patent application, or copyright registration, but you can use the proprietary information in our Brand Standards Manual and our business processes all of which are trade secrets owned by us. Although we have filed no applications for a copyright registration for the Brand Standards Manual, we or our affiliate claim a copyright and the information is proprietary.

You must strictly limit your employees' access to the trade secrets, proprietary information, and confidential information (together "Confidential Information"). You must share Confidential Information with them only to the extent they have a "need to know" to perform their jobs. All persons to whom you grant access to the Brand Standards Manual or any other Confidential Information, any person who attends any training program we conduct, and all of your managerial employees must sign our form of confidentiality agreement. If you are a partnership, limited liability company or corporation, all of your owners, officers, or directors and any of these individuals' spouses will sign a form of the confidentiality provisions. You must use the Confidential Information only in the manner required by us. You must fully and strictly comply with all security measures required by us for maintaining the confidentiality of the Confidential Information.

If you or your owners, officers, managers, or employees conceive, invent, create, design and/or develop any ideas, techniques, methods, processes or procedures, formulae, products, services, or other concepts and features relating to Franchised Business operations, business practices or the marketing or sale of personal care services, or related goods and services in connection with the Franchised Business (the "Innovations"), you (or they) will be deemed to have assigned all of your (or other) rights, title and interests in the Innovations, including any intellectual property rights, to us. You and your owners, officers, managers and employees also must cooperate with us in connection with protecting the Innovations, including executing any and all instruments and do any and all acts necessary to establish our ownership of the Innovations.

You will not have the exclusive right to use the Innovations or any of our patents or patent applications, copyrights or Confidential Information, nor will you acquire, by use or otherwise, any right, title or interest in or to the Innovations, the copyrights or the Confidential Information, other than as expressly contained in, and limited by, the Franchise Agreement. Your right to use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information is limited and temporary. Upon expiration, non-renewal, or termination of the Franchise Agreement for any reason, you may not, directly or indirectly, use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights or the Confidential Information in any manner or for any purpose whatsoever.

You must immediately notify us of any conduct that could constitute infringement of or challenge to the Innovations, the patents or patent applications, the copyrights, and the Confidential Information. We will decide, in our sole discretion, whether to institute any action in connection with infringement of or challenge to the Innovations, the patents or patent applications, the copyrights and the Confidential Information, and will control any proceedings and litigation. We are not required to protect your right to use the Innovations, the patents or patent applications, the copyrights, or the Confidential Information. We will not indemnify you for losses arising out of use or misuse of the Innovations, patents or patent applications, copyrights, or Confidential Information. There are no material determinations of any administrative body or court, no pending proceedings in any administrative body or court, nor any agreements that limit our ability to license to you the copyrights. We do not know of any patent or copyright infringement that could materially affect you.

We may, in our sole discretion, modify or discontinue use of the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information and/or use other information and/or rights in their place.

During the Initial Term or Renewal Term(s) of the Franchise Agreement, you must maintain, to the extent collected, a current list of the names, home addresses, work addresses, e-mail addresses and telephone numbers of the clients or patients who supply you this information (the "Client List"). You must provide the Client List to us upon request. The Client List will be our property at all times, and you must not disclose the Client List to any person or entity other than us, or sell the Client List (or any portion of it) to any person or entity without our express written consent.

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

You must be fully engaged in the operation of the Franchised Business. We encourage but do not require you to personally supervise the Franchised Business, and prefer to select franchisees who favor and appear committed to a "hands on" and well-informed approach to the business. We strongly recommend that you devote a substantial amount of time to your CARE WITH LOVE business, whether or not you hire a manager. Franchisees who do not devote their full time and efforts to the establishment and operation of their businesses may have lower gross revenues, higher operating costs, and lesser name recognition in their areas than those franchisees who do devote their full efforts to the business.

The business must be directly supervised and managed on-site by a qualified person, identified to us and approved by us, who has undergone and successfully completed our training program and passes a background check ("Operations Manager"). The Operations Manager must execute a confidentiality and non-competition agreement similar to the one you will execute if you purchase a franchise from us. The Operations Manager is not required to have an ownership interest in the franchise entity. With our approval you may designate an Operations Manager who is not an owner of the Franchised Business.

If you are a legal or business entity, each individual who has any ownership interest in your business, directly or indirectly, must sign the guaranty and the nondisclosure and noncompetition

agreement. Additionally, your spouse, or, if you are a legal or business entity, the spouses of your owners must sign the guaranty and nondisclosure and noncompetition agreement. By signing both the nondisclosure and noncompetition agreement and the guaranty, you (or each of your owners) agree to be bound by the restrictive covenants, the confidentiality provisions and certain other provisions contained in the Franchise Agreement.

All personnel employed by you in connection with the operation of your CARE WITH LOVE business must maintain the strict standards of safety, sanitation, environmental safety, cleanliness, and demeanor as may be established by us and by local law. All personnel must wear clothing appropriate to the CARE WITH LOVE image. Caregivers must give care in accordance with the client care plan, which may require care during non-business hours or overnight.

You must complete a background check on all personnel after extending an offer of employment, but prior to the commencement of any services to clients. We may designate a required supplier of background checks that you must use. You may not hire any personnel for any position involving entrance into a residence if the results of such personnel's background check indicates, in your sole discretion, a propensity for violence; dishonesty; negligent, reckless, or careless behavior; or conviction of any crime. Notwithstanding the foregoing, all matters of employment and safety of your customers and clients are within your discretion and control.

The people you retain to work in your Franchised Business will be your agents, contractors, or employees. They are not our agents, contractors, or employees and we are not a joint employer of such persons. You will be solely responsible for recruiting and contracting with the persons you employ or contract with to operate the Franchised Business and must determine whom to hire or contract with, how many people to hire or contract with, retain, and train, and how you will compensate such persons. You are responsible for your employees', contractors' and agents' training, wages, taxes, benefits, safety, schedules, work condition, assignments, discipline, and termination. You must comply with all applicable employment laws. We will not operate your Franchised Business, direct your employees, agents, and contractors, or oversee your employment policies or practices.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Under the Franchise Agreement, you must offer and sell all products and services that we require, and only the products and services that we have approved and authorized you to offer. We may add, eliminate, and change the approved or authorized products and service items periodically, and you must comply with all directives. There are no limits on our right to make changes. We impose these requirements to control the quality and uniformity of the goods and services you and other franchisees may offer through use of our trade name and trademarks. We reserve the right to charge you a fine up to $1,000 per occurrence if you provide an unauthorized service or sell any unauthorized good. We may change the System such that you are required to obtain different types of licenses or hire employees with certain credentials.

The CARE WITH LOVE business may only accept payments in the form of cash, credit card, and private long-term care insurance; it may not accept government-funded insurance or other forms of commercial insurance.

The Franchise Agreement requires you to assign a security interest in certain assets to us as collateral in the event you default on your Franchise Agreement. The pledged assets include the accounts, credit card receivables, cash, equipment, and your franchise rights. We will agree to subordinate our rights to the security interest in the business to those of a prime lender for the purchase of the franchise and/or development of your Franchised Business.

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

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN AGREEMENT	SUMMARY
a. Length of the franchise term	Franchise Agreement § 2(a)	Initial Term is 10 years.
b. Renewal or extension of the term	Franchise Agreement § 2(b)	Franchise Agreement: One 10-year successor franchise term provided you remain a franchisee in good standing.
c. Requirements for Franchisee to renew or extend	Franchise Agreement § 2(b)	You must be in good standing and exercise your option within a window of time. You must agree to the terms of the Franchise Agreement then being offered, make required upgrades to your business, secure a sufficiently long lease term of your office, present evidence that you have the right to remain in possession of your lease for the renewal franchise term, sign a release, and pay your renewal fee of 50% of the then-current initial franchise fee. You may be asked to sign a contract with materially different terms and conditions than your original contract, including different terms for the royalties or territory size.
d. Termination by Franchisee	Franchise Agreement §§ 2(d) and 17(e)	For cause, if we breach a material provision of the contract and fail to cure 90 days after written notice then you can terminate with 30 days' notice if you are compliant with the terms of your agreement. Subject to state law.
e. Termination by Franchisor without cause	Not Applicable	We cannot terminate except for cause.
f. Termination by Franchisor with cause	Franchise Agreement §§ 17(a) – (c)	Section 17(a) deals with automatic termination. Section 17(b) describes causes for termination upon notice. Section 17(c) describes causes for termination upon notice and failure to cure, including your cure rights.

PROVISION	SECTION IN AGREEMENT	SUMMARY
		The laws of your state may provide additional rights to you concerning termination of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
g. "Cause" defined – defaults that can be cured	Franchise Agreement § 17(c)	Non-compliance; non-payment; unauthorized transfer; operating the Franchised Business in a way that is a health or safety hazard; unauthorized or misuse of the Marks and/or System; maintaining or submitting false records; failing to maintain a good credit rating; unauthorized providing of services outside your Territory; misuse of your technology; unauthorized offer of products and services; failure to obtain background checks for employees or permitting employees to work without required licenses; accepting payment in unaccepted forms; failure to service National Accounts customers and other clients in accordance with our service standards. Generally, you will have 15 days to totally cure the default if we deliver a notice of default.
h. "Cause" defined – defaults that cannot be cured	Franchise Agreement §§ 17(a) and (b)	Making an assignment for the benefit of creditors, bankruptcy, appointment of a receiver, dissolution and the like; abandonment; unauthorized transfer; criminal conduct; failure to transfer after death or incapacity of an owner; two or more notices of default within a 12 month period or three or more notices in a three year period; failure to comply with covenants; misrepresentation; false statements and records; any behavior that impairs the value of the Marks or System; dishonesty with employees, loss of a required license; liability for discrimination; failure to comply with a government order related to health and safety; failure to timely open the business; illegal behavior; repeating a cured default within six months.

PROVISION	SECTION IN AGREEMENT	SUMMARY
i. Franchisee's obligations on termination/ non-renewal	Franchise Agreement §§ 14, 15, and 18	Cease to operate the business; pay us sums due without set-off; return our property including the Brand Standards Manual and business data; discontinue use of Marks; cooperate with our lease assignment rights, if any; unless we take over the premises, immediately remove all signs with Marks; cease representing self as a present or past CARE WITH LOVE franchisee; destroy or surrender marks, names, indicia; discontinue ads; assign us phone numbers; comply with our instructions regarding your technology; sell us such inventory and other business assets as we request for book value; if we do not exercise our purchase rights, de-identify the business; and transfer your clients and client data to us or our designee. Upon termination you must also pay us liquidated damages.
j. Assignment of contract by franchisor	Franchise; Agreement §§ 13(a) and (e)	We may freely assign our rights and duties under the Franchise Agreement.
k. "Transfer" by franchisee – definition	Franchise Agreement § 13(b)	Broadly defined to include any issuance, sale, assignment, gift, pledge, mortgage or any other encumbrance, merger, consolidation, or consolidation.
l. Franchisor's approval of transfer by franchisee	Franchise Agreement §§ 13(c)(ii) and (d)	Except for a limited set of transfers to other owners or to an entity wholly owned by the original owners, our prior written agreement is required for all transfers. You must give us notice of all transfers. The franchise can be terminated for non-compliance. We will not unreasonably withhold approval.

PROVISION	SECTION IN AGREEMENT	SUMMARY
m. Conditions for franchisor's approval of transfer	Franchise Agreement § 13(d) – (g)	Transferee must assume your obligations under the franchise agreement; attend and successfully complete our training; provide all requested documents; make updates to the Franchised Business; present evidence that transferee will have possession of the lease; execute a franchise and collateral agreements in the then current form; have a credit rating, moral character, reputation and business qualifications satisfactory to us; meet the then-current requirements for new franchisees. You must release us of all claims, be in compliance, and pay a transfer fee of 50% of the then-current franchise fee (unless there is a transfer to a wholly owned entity). Guarantees and share restriction agreements are required if to a corporation or LLC. If a sale is involved, you must offer us a 45-day right of first refusal.
n. Franchisor's right of first refusal to acquire franchisee's business	Franchise Agreement § 13(c)	45 days. We may assign it to another.
o. Franchisor's option to purchase franchisee's business	Franchise Agreement: §§ 10(c), 13(c), and 18(b)	Upon termination, non-renewal, or expiration and if we require it, you must sell us some or all assets of the business at net book value.
p. Franchisee's death or disability	Franchise Agreement § 13(g)	Upon death or permanent disability of the franchisee or an owner, the interest shall be transferred to a party approved by us within six months. During the interim period there must also be a manager appointed that is approved by us.
q. Non-competition covenants during the term of the franchise	Franchise Agreement §§ 14(a) and (b), and Attachment 4 and Attachment 7	You must not own or otherwise engage in any other business that offers non-medical companionship, homemaking, or personal care, services to people in their home who are aged, disabled, recovering, rehabilitating, convalescing, or otherwise in need of personal care services. You will be required to get your managerial staff to agree to agree to this same non-competition covenant.

PROVISION	SECTION IN AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated/ expires	Franchise Agreement §§ 14(c) and (d), and Attachment 4 and Attachment 7	For 2 years after termination, non-renewal or expiration of the franchise for any reason, you must not own or engage in any other competitive business located within a 10-mile radius of your Territory or the territory of any other CARE WITH LOVE business then in operation. You will be required to get your managerial staff to agree to agree to this same non-competition covenant.
s. Modification of the agreement	Franchise Agreement § 23(e)	We reserve the right to amend this Agreement if a Franchise Agreement change proposed by us is agreed to by 75% of the then-current Franchisees. Otherwise, no modifications to the Agreement other than in writing.
t. Integration/ merger clause	Franchise Agreement § 23(c)	Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Franchise Agreement §§ 21(a) – (b)	Except for certain claims, all disputes not first settled informally must be arbitrated in Fairfax, Virginia under rules of the American Arbitration Association.
v. Choice of forum	Franchise Agreement §§ 21(a), (b), and (h)	AAA, Fairfax, Virginia; Virginia courts (if applicable), which provision is subject to individual state laws.
w. Choice of law	Franchise Agreement § 21(j)	Virginia law, except federal Lanham Act and Federal Arbitration Act, which choice of law is subject to individual state laws.

For information particular to your state, please see the state addendums in Exhibit D.

ITEM 18. PUBLIC FIGURES

We use no public figures to promote the franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

DEFINITIONS

A. Company Owned Outlet – means a CARE WITH LOVE business owned either directly or indirectly by us, our affiliate, or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any CARE WITH LOVE business that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us, our affiliate or any person identified in Item 2.

B. Gross Revenues – means the total revenue generated by the CARE WITH LOVE business, including all revenue generated from the sale and provision of any and all approved products and services at or through the CARE WITH LOVE business and all proceeds from any business interruption insurance related to the non-operation of the CARE WITH LOVE business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" does not include (a) tips received by employees through their employment with the Franchised Business, (b) any sales tax and equivalent taxes that are collected by the CARE WITH LOVE business for or on behalf of any governmental taxing authority and paid thereto, or (c) discounts, allowances, and returns. For purposes of this Item 19, "Gross Revenues" includes only revenues generated from the provision of non-medical, personal care services.

C. Gross Revenues Per 100,000 Population – is calculated by dividing the Gross Revenues achieved in each county by the population of that county and multiplying by 100,000.

FRANCHISE OUTLETS

During 2023, two franchisees began operations of a CARE WITH LOVE business located in Winchester, VA and Fredericksburg, VA The Winchester franchisee's territory is comprised of approximately 835,832 people, which is equivalent to approximately 2.8 franchise territories. The Fredericksburg franchisee's territory is comprised of approximately 515,142 people, which is equivalent to approximately 1.7 franchise territories.

COMPANY OWNED OUTLETS

We have three Company Owned Outlets. One Company Owned Outlet is located in Fairfax, Virginia and has been in operation since 2014. Another is located in Richmond, Virginia and began operations in 2023. Our third company-owned outlet is located in Washington, D.C. and began operations in 2024.

Our Fairfax Company Owned Outlet provides Skilled Care, and other services that you will not be authorized to provide with your franchise (together "Other Services"). Our Richmond Company Owned Outlet and Washington, D.C. Company Owned Outlet do not provide Skilled Care. We have omitted any data related to the Other Services from this financial performance representation, including omitting information related to Gross Revenues and Cost of Services Provided for the Other Services. The data disclosed in the items below are for the non-medical, personal care

services provided by the Company Owned Outlet and they are representative of the non-medical, personal care services provided by the franchises offered under this disclosure document.

The Fairfax Company Owned Outlet is located in Fairfax County, Virginia. The Fairfax Company Owned Outlet operates in a territory with a population of approximately 2,490,236 people, which is the equivalent of approximately 8.3 franchise territories. The population of Fairfax Company Owned Outlet is not representative of the population size of your territory. Additionally, the Fairfax Company Owned Outlet operates without the territory restrictions which will be applicable to a franchisee. The Fairfax Company Owned Outlet provided services outside of Fairfax County during the measurement periods. As a franchisee, you have no right to provide services outside of your territory. We may, but are not obligated to, grant you limited permission to provide services outside your territory.

The Richmond Company Owned Outlet is located in Richmond, Virginia. The Richmond Company Owned Outlet operates in a territory with a population of 1,618,104 people, which is equivalent to approximately 5.4 franchise territories.

The Washington, D.C. Company Owned Outlet is located in Washington, DC. The Washington, D.C. Company Owned Outlet operates in a territory with a population of 693,645 people, which is equivalent to approximately 2.3 franchise territories.

Although the population size of Fairfax, Richmond, and Washington, D.C. territories are larger than the territory you could be granted, Fairfax, Richmond, and Washington, D.C. are representative of a franchisee's territory because, during the measurement periods disclosed below, the Fairfax, Richmond, and Washington, D.C. Company Owned Outlets maintained an office inside Fairfax, Richmond, and Washington, D.C. only (and not outside it) and concentrated their marketing efforts there. You will be required to maintain an office within your territory. You will be required to spend a minimum amount on marketing and advertising your business within your territory. The Fairfax, Richmond, and Washington, D.C. Company Owned Outlets did not devote the same effort to spend as much on marketing and advertising outside of Fairfax, Richmond, and Washington, D.C. as you will be required to spend to develop your franchise territory. Consequently, data from the operations of the Fairfax, Richmond, and Washington, D.C. Company Owned Outlets outside of Fairfax, Richmond, and Washington, D.C. are analogous to the operations of a franchisee outside of its territory if we grant the franchisee limited permission.

In Table 1A below we report historical revenues and total clients since our inception for the Fairfax Company Owned Outlet which were generated inside and outside Fairfax County.

Table 1A

Gross Revenues and Total Clients by Year Fairfax Company Owned Outlet since Inception						
	Within Fairfax County, VA		**Outside Fairfax County, VA**		**Total**	
Measurement Period	**Gross Revenues**	**Clients**	**Gross Revenues**	**Clients**	**Total Gross Revenues**	**Total Clients**
December 1, 2024 to November 30, 2025	$2,910,244	176	$2,488,263	146	$7,856,101	573

December 1, 2023 to November 30, 2024	$2,406,125	149	$2,489,202	200	$4,895,327	349
December 1, 2022 to November 30, 2023	$2,170,973	205	$2,204,196	101	$4,375,169	306
December 1, 2021 to November 30, 2022	$1,899,604	173	$2,930,355	160	$4,829,959	333
December 1, 2020 to November 30, 2021	$1,294,808	150	$2,427,230	206	$3,722,038	356
December 1, 2019 to November 30, 2020	$1,992,360	163	$1,084,071	164	$3,076,431	327
December 1, 2018 to November 30, 2019	$1,983,725	159	$507,343	149	$2,491,068	308
December 1, 2017 to November 30, 2018	$2,115,312	167	$983,523	129	$3,098,835	296
December 1, 2016 to November 30, 2017	$1,517,946	125	$628,787	99	$2,146,733	224
December 1, 2015 to November 30, 2016	$407,486	71	$259,189	34	$666,675	105
December 1, 2014 to November 30, 2015	$91,667	12	$2,071	3	$93,738	15
Average Year	$1,708,205	141	$1,454,930	126	$3,386,461	290
Highest Year	$2,910,244	205	$2,930,355	206	$7,856,101	573
Lowest Year	$91,667	12	$2,071	3	$93,738	15
Median Year	$1,983,725	159	$1,084,071	146	$3,098,835	308

In Table 1B below we report historical revenues and total clients reporting from December 1, 2023, to November 30, 2024 and December 1, 2024 to November 30, 2025, for the Richmond Company Owned Outlet.

Table 1B

Gross Revenues and Total Clients by Year Richmond Company Owned Outlet since December 1, 2023		
	Richmond, VA	
Measurement Period	**Gross Revenues**	**Clients**
December 1, 2024 to November 30, 2025	$1,942,293	191
December 1, 2023 to November 30, 2024	$673,154	106

In Table 1C below we report historical revenues and total clients reporting from December 1, 2024, to November 30, 2025, for the Washington, D.C. Company Owned Outlet.

Table 1C

Gross Revenues and Total Clients by Year Washington, D.C. Company Owned Outlet since December 1, 2024		
	Washington, D.C.	
Measurement Period	**Gross Revenues**	**Clients**
December 1, 2024 to November 30, 2025	$515,301	60

Because the Fairfax Company Owned Outlet has substantial revenue outside of Fairfax County and operates in a larger territory than a franchisee would receive, in Tables 2A-C we report additional information about Gross Revenues of the Fairfax Company Owned Outlet within and outside Fairfax County.

Table 2A

Gross Revenues by County
Fairfax Company Owned Outlet
(Inside and Outside Fairfax County, VA)
December 1, 2022 – November 30, 2023

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Fairfax	1,135,017	$2,170,973	49.6%	$191,272.29
Outside of Fairfax County				
Loudoun	435,735	$796,193	18.2%	$182,724.13
Prince William	488,681	$364,021	8.3%	$74,490.52
Arlington / Alexandria	237,300	$1,015,938	23.2%	$428,123.89
Chesterfield	387,703	$3,978	0.1%	$1,026.04
Faquieur	75,306	$20,187	0.5%	$26,806.63
District of Columbia	678,972	$1,871	0.0%	$275.56
Stafford	165,428	$975	0.0%	$589.38
Powhatan	32,105	$1,034	0.0%	$3,220.68
Total Outside of Fairfax County	1,736,279	$2,204,196	50.4%	$126,949.47
Total All Counties	**2,871,296**	**$4,375,169**	**100.0%**	**$152,376.14**

Note 2: Population data from 2023 data.

Table 2B

Gross Revenues by County
Fairfax Company Owned Outlet
(Inside and Outside Fairfax County, VA)
December 1, 2023 – November 30, 2024

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Fairfax	1,144,447	$2,406,125	49.2%	$210,243.46
Outside of Fairfax County				
Loudoun	447,837	$458,195	9.4%	$102,312.90
Prince William	492,268	$1,003,743	20.5%	$203,901.74
Arlington / Alexandria	240,900	$993,762	20.3%	$412,520.55

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Faquieur	75,653	$1,371	0.0%	$1,812.22
District of Columbia	702,250	$32,132	0.7%	$4,575.58
Total Outside of Fairfax County	1,958,908	$2,489,203	50.8%	$127,070.95
Total All Counties	**3,103,355**	**4,895,328**	**100%**	**$157,743.09**

Note 2: Population data from 2024 data.

Table 2C

Gross Revenues by County
Fairfax Company Owned Outlet
(Inside and Outside Fairfax County, VA)
December 1, 2024 – November 30, 2025

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Fairfax	1,175,173	$2,910,244	53.9%	$247,643.88
Outside of Fairfax County				
Loudoun	455,193	$568,344	10.5%	$124,857.81
Prince William	502,428	$958,917	17.8%	$190,856.60
Arlington / Alexandria	243,760	$878,798	16.3%	$360,517.72
Faquieur	76,474	$69,455	1.3%	$90,821.72
Orange	37,208	$12,749	.2%	$34,264.14
Total Outside of Fairfax County	1,315,063	$2,488,263	46.1%	$189,212.46
Total All Counties	**2,490,236**	**$5,398,507**	**100%**	**$436,856.34**

Note 2: Population data from 2025 data.

Because the Richmond Company Owned Outlet has substantial revenue outside of Richmond County and operates in a larger territory than a franchisee would receive, in Table 2D-E we report additional information about Gross Revenues of the Richmond Company Owned Outlet within and outside Richmond County.

Table 2D

Gross Revenues by County
Richmond Company Owned Outlet
(Inside and Outside Richmond County, VA)
December 1, 2023 – November 30, 2024

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Richmond	9,242	$138,208	20.5%	$1,495,433.89
Outside of Richmond County				
Powhatan	32,625	$1,485	0.2%	$4,551.72
Prince George	42,721	$587	0.1%	$1,374.03
New Kent	27,316	$105	0.0%	$384.39
Henrico	334,967	$134,402	20.0%	$40,123.95
Hanover	115,436	$145,123	21.6%	$125,717.28
Petersburg	33,280	$96	0.0%	$288.46
Goochland	28,232	$364	0.1%	$1,289.32
Amelia	13,592	$4,396	0.7%	$32,342.55
Chesterfield	394,825	$248,388	36.9%	$62,910.91
Total Outside of Richmond County	1,022,994	$534,946	79.5%	$52,292.19
Total All Counties	**1,032,236**	**$673,154**	**100%**	**$65,213.19**

Note 2: Population data from 2024 data

Table 2E

Gross Revenues by County
Richmond Company Owned Outlet
(Inside and Outside Richmond County, VA)
December 1, 2024 – November 30, 2025

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Richmond	9,300	$876,616	45.13%	$9,425,978.49
Outside of Richmond County				
Ashland	7,978	$1,120	0.06%	$14,038.61
Powhatan	31,073	$58,370	3.01%	$187,847.97
Prince George	44,137	$33,770	1.74%	$76,511.77
New Kent	22,945	$0.00	0.00%	$0.00
Henrico	341,689	$383,149	19.73%	$112,133.84
Hanover	116,425	$2,225	0.11%	$1,911.10
Petersburg	34,223	$0.00	0.00%	$0.00
Goochland	29,000	$9,855	0.51%	$33,982.76
Amelia	13,837	$0.00	0.00%	$0.00
Chesterfield	394,961	$162,462	8.37%	$41,133.68

County	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Chester	401,301	$2,258	0.12%	$562.67
Colonial Heights	18,210	$396	0.02%	$2,174.63
King William	17,810	$8,155	0.42%	$45,788.88
Glen Allen	36,676	$55,628	2.86%	$151,674.12
Mechanicsville	38,683	$214,846	11.06%	$555,401.60
Midlothian	22,000	$103,338	5.32%	$469,718.18
Manakin Sabot	6,922	$9,756	0.50%	$140,941.92
Montpelier	6,589	$190	0.01%	$2,883.59
Moseley	17,420	$14,714	0.76%	$84,466.13
Sandston	6,925	$5,442	0.28%	$78,584.84
Total Outside of Richmond County	1,608,804	$1,065,674	54.87%	$66,240.14
Total All Counties	**1,618,104**	**$1,942,290**	**100%**	**$120,034.93**

Note 2: Population data from 2025 data

Because the Washington, D.C. Company Owned Outlet operates in a larger territory than a typical franchisee would receive, in Table 2F we report additional information about Gross Revenues of the Washington, D.C. Company Owned Outlet within Washington DC.

Table 2F

Gross Revenues in Washington, D.C.
Washington, D.C. Company Owned Outlet
December 1, 2024 – November 30, 2025

Location	Population[2]	Gross Revenues	Percentage of Total Gross Revenues	Gross Revenues per 100,000 Population
Washington, D.C.	693,645	$515,301	100%	$74,288.87

In Table 3A below we report historical revenues and total population from November 30, 2023, to December 1, 2024, and January 1, 2025, to December 1, 2025, for the Winchester, VA franchisee outlet. The Winchester franchisee outlet operates in a larger territory than a franchisee would typically receive.

Table 3A

Gross Revenues
Winchester, VA Franchisee Outlet

Measurement Period	Population[2]	Gross Revenues
January 1, 2025 – December 31, 2025	835,832	$1,177,085.74
November 30, 2023 – December 1, 2024	648,420	$704,968.82

Note 2: Population data from November 30, 2023, to December 1, 2024, are based on 2024 data. Population data from January 1, 2025, to December 31, 2025, are based on 2025 data. The 2025 data also includes population figures from three additional counties served by the Winchester, VA franchise outlet.

In Table 3B below we report historical revenues and total population from October 1, 2023, to December 31, 2024, and November 30, 2024, to December 1, 2025 for the Fredericksburg, VA franchisee outlet. The Fredericksburg franchisee outlet operates in a larger territory than a franchisee would typically receive.

Table 3B

Gross Revenues Fredericksburg Franchisee Outlet

Measurement Period	Population[2]	Gross Revenues
January 1, 2025 – December 31, 2025	515,142	$358,570.37
October 1, 2023 – December 31, 2024	550,445	$222,825.91

Note 2: Population data for October 1, 2023 to December 1, 2024 from 2024 data. Population data for January 1, 2025 – December 31, 2025 from 2025 data.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much. Written substantiation for the financial performance representations will be made available to you upon reasonable request.

Other than the preceding financial performance representations, we do not make any financial performance representations. 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 our President, in writing at 10505 Braddock Rd Suite 4A, Fairfax VA, 22032, (705) 665-1130, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. LIST OF OUTLETS AND FRANCHISE INFORMATION

Table 1
System-wide Outlet Summary for years 2023, 2024, and 2025

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2023	0	2	+2
	2024	2	2	0
	2025	2	2	0
Company Owned	2023	2	2	0
	2024	2	3	+1
	2025	3	3	0
Total Outlets	**2023**	**2**	**4**	**+2**
	2024	**4**	**5**	**+1**
	2025	**5**	**5**	**0**

Table 2
Transfers from Franchisees to New Owners (Other than the Franchisor)
for years 2023, 2024, and 2025

STATE	YEAR	NUMBER OF TRANSFERS
All States	2023	0
	2024	0
	2025	0
Totals	**2023**	**0**
	2024	**0**
	2025	**0**

Table 3
Status of Franchised Outlets
for years 2023, 2024, and 2025

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMIN -ATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF THE YEAR
Virginia	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMIN -ATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF THE YEAR
Totals	**2023**	**0**	**2**	**0**	**0**	**0**	**0**	**2**
	2024	**2**	**0**	**0**	**0**	**0**	**0**	**2**
	2025	**2**	**0**	**0**	**0**	**0**	**0**	**2**

Table 4
Status of Company-Owned Outlets
for years 2023, 2024, and 2025

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Virginia	2023	2	1	0	0	1	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Washington, D.C.	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Totals	**2023**	**2**	**1**	**0**	**0**	**1**	**2**
	2024	**2**	**1**	**0**	**0**	**0**	**3**
	2025	**3**	0	**0**	**0**	**0**	**3**

Table 5
Projected Openings as of December 31, 2025
For Year 2026

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR
Maryland	0	0	1
TOTALS	**0**	**0**	**1**

Among the attached Exhibits you will find:

Exhibit B-1 BUSINESS DIRECTORY/Listing of Current Franchisees lists the names of all current franchisees and the addresses and telephone numbers of their Businesses as of the effective date.

Exhibit B-2 LISTING OF CERTAIN PAST FRANCHISEES lists the name, city, state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had a CARE WITH LOVE outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise

agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this FDD.

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

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

There are no trademark-specific franchisee organizations associated with the franchise system being offered which we have created, sponsored, or endorsed.

There are no independent franchisee organizations that have been asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit C is our audited financial statements for the period ending December 31, 2025, December 31, 2024, and December 31, 2023. Our fiscal year ends December 31.

ITEM 22. CONTRACTS

Copies of the following contracts or documents are also attached as Exhibits hereto:

Exhibit A	CARE WITH LOVE FRANCHISE AGREEMENT, with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider); Attachment 3 (Personal Guaranty), Attachment 4 (Noncompetition Agreement), Attachment 5 (Internet, Social Media, and Telephone Assignment), Attachment 6 (Business Associate Agreement), and Attachment 7 (Nondisclosure and Non-solicitation Agreement)
Exhibit F	General Release Agreement
Exhibit G	ACH/EFT Transfer Agreement

ITEM 23. RECEIPT

You will find copies of a detachable receipt in Exhibit I at the very end of this disclosure document. Please sign both acknowledging receipt of this disclosure document and return one of them to us for our files.

EXHIBIT A
FRANCHISE AGREEMENT

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Attachment 1 Franchise Rider
Attachment 2 Lease Rider
Attachment 3 Guaranty and Assumption of Franchisee's Obligations
Attachment 4 Nondisclosure and Noncompetition Agreement
Attachment 5 Internet, Social Media, and Telephone Assignment
Attachment 6 Business Associate Agreement
Attachment 7 Nondisclosure and Non-solicitation Agreement

CARE WITH LOVE ELITE, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into as of _____ (the "Effective Date") by and between CARE WITH LOVE ELITE, LLC, a Virginia limited liability company ("Franchisor"), and _____, a _____, ("Franchisee"). If Franchisee is a corporation, partnership, limited liability company or other legal entity, certain provisions to this Agreement also apply to its owners, shareholders, partners, principals, or members (collectively, "Owners").

RECITALS:

A. Franchisor has expended time, money, and effort to develop a unique system for providing non-medical, personal care services at clients' private homes. (The methods of operation, know-how, experience and form of operation acquired, devised and/or established by Franchisor are referred to herein as the "System"; the chain of current and future CARE WITH LOVE businesses are referred to herein as the "Chain".)

B. The distinguishing characteristics of the System include the name "CARE WITH LOVE," a distinctive method of non-medical, personal care services, and consistency and uniformity of products, services, and technology, all of which may be improved, amended, and further developed by Franchisor from time to time.

C. Franchisor has the rights to license certain service marks, trade names and trademarks, including, but not limited to, the "CARE WITH LOVE" trademark, as well as certain other trademarks, service marks, slogans, logos and emblems which have been and which may hereafter be designated by Franchisor for use in connection with the System (the "Marks").

D. Franchisee desires to obtain a license from Franchisor for use of the Marks and the System solely for the operation of a business utilizing a combination of the concepts provided for in this Agreement within the Territory identified below (the "Franchised Business"), and Franchisee desires to use the Marks and the System, and other benefits derived from this franchise relationship strictly in accordance with the provisions set forth below.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Grant.

Franchisor hereby grants to Franchisee, on the terms and conditions contained in this Agreement, and Franchisee accepts from Franchisor, a license ("License") to establish, own, and operate under the System, one Franchised Business within the Territory (as defined in Section 5 and specified in the Franchise Rider). Franchisee agrees to identify the Franchised Business and all of the products and services Franchisee sells or offers for sale only by the Marks. Franchisee

has no right to use the System or the Marks for any purpose other than as expressly provided herein.

Franchisee acknowledges and agrees that time is of the essence. Pursuant to this grant, Franchisee, at its own expense, shall establish, equip, staff, open and operate the Franchised Business within the Territory in accordance with this Agreement and headquarter the Franchised Business at the location Franchisor accepts ("Location") and which is specified in the Franchise Rider. Unless otherwise agreed in a writing executed by Franchisor, Franchisee shall commence operating the Franchised Business within three (3) months after the Effective Date of this Agreement, and shall diligently operate such business in accordance with this Agreement for the Initial Term (as defined below) stated herein. Before commencing operations of the Franchised Business, Franchisee shall comply with all pre-opening obligations described in this Agreement to Franchisor's reasonable satisfaction, including, but not limited to: (a) Franchisee shall be in full compliance with all the terms of this Agreement; (b) Franchisor determines, in its sole discretion, that the Franchised Business is equipped and stocked with materials and supplies in accordance with Franchisor's standards and specifications, and is fully staffed by Franchisee's trained personnel; (c) Franchisee, and all other designated parties, shall have successfully completed the initial training program; (d) Franchisee shall have furnished all certificates of insurance required under this Agreement; (e) all fees owed to Franchisor or Franchisor's affiliates have been paid; (f) the Location, Premises, and any vehicles used in connection with the Franchised Business fully comply with Franchisor's standards and specifications; and (g) Franchisee has obtained all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services. Failure to timely open the Franchised Business shall constitute an event of default under the Agreement. In such foregoing event whereby Franchisee fails to timely open the Franchised Business, Franchisor in its sole discretion may: (i) allow more time; or (ii) terminate this Agreement without any refund to Franchisee. Franchisee shall obtain Franchisor's prior written approval to commence operations of the Franchised Business.

Franchisor and Franchisor's affiliates reserve any and all rights not expressly granted to Franchisee under this Agreement. For the purposes of this Agreement, the use of the term "affiliate" shall mean an entity's subsidiary or parent and an entity controlled by, controlling, or under common control with, another entity.

2. Term, Expiration, and Additional License Period.

(a) <u>Initial Term</u>. The initial term of this Agreement shall commence upon the execution of this Agreement, and shall expire at midnight on the day preceding the tenth (10th) annual anniversary date of execution of this Agreement (the "Term" or the "Initial Term"), unless this Agreement has been sooner terminated in accordance with the terms and conditions herein.

(b) <u>Additional License Period</u>. Upon expiration of the Initial Term, Franchisee will have the right to be granted a renewal of the License for one (1) additional consecutive period of ten (10) years from date of expiration on the Initial Term (the "Renewal Term"), provided the following conditions have been met:

(i) Franchisee has given Franchisor written notice of its intent to renew the License not less than nine (9) months nor more than twelve (12) months prior to the expiration of the Initial Term;

(ii) Franchisee is not in default of any of the provisions of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates, both at the time Franchisee gives notice of its intent to exercise its rights under the terms of this Section 2(b) and at the commencement of the Renewal Term;

(iii) All debts and obligations of Franchisee under this Agreement shall be current, including but not limited to Franchisee's obligations to make contributions to the Brand Fund (as defined in Section 8(a)(i));

(iv) Franchisee has not received more than three (3) notices of default during any consecutive twelve-month (12) month period during the Initial Term;

(v) Franchisee and its guarantors execute and deliver to Franchisor, within thirty (30) days after delivery to Franchisee, the then-current form of CARE WITH LOVE franchise agreement and Franchisor's other then-current ancillary agreements, which agreements shall supersede this Agreement in all respects, and the terms and conditions of which may substantially differ from this Agreement (collectively, the "Renewal Agreement");

(vi) Franchisee secures the right to continue possession of the Premises (as defined in Section 6(a)(i)) for the duration of the Renewal Term, or alternatively Franchisee secures a premises at another location accepted by Franchisor; unless Franchisor determines that the location of Franchisee's business is no longer viable for the operation of Franchisee's business, in which case Franchisor may condition Franchisee's right to renew on Franchisee's obtaining a new site for Franchisee's business that Franchisor accepts;

(vii) Franchisee has paid to Franchisor a renewal fee equal to fifty percent (50%) of the then-current initial franchise fee, which fee shall be due in immediately available funds upon the execution of the Renewal Agreement;

(viii) Franchisee; Owners; guarantors of the Franchisee; and their respective predecessors, parents, affiliates, subsidiaries, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns (collectively, "Releasors") execute and deliver to Franchisor a general release, in the form prescribed by Franchisor, releasing, to the fullest extent permitted by law, all claims that Releasors may have against Franchisor; Franchisor's predecessors, parents, affiliates, and subsidiaries; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities in both their corporate and individual capacities;

(ix) Franchisee shall make or provide for in a manner satisfactory to Franchisor, such renovating, upgrading, and re-equipping of the Franchised Business as Franchisor may require, including, without limitation, renovation, upgrading, and/or replacement of signs, equipment, furnishings, fixtures, Technology (as defined in Section 11(p)(i) below), and decor, to reflect the then-current standards and image of the System;

(x) Franchisee complies with Franchisor's then-current qualifications and training requirements as well as meets the Minimal Performance Standards as set forth in Section 11(bb) of this Agreement.

(c) If Franchisee fails to perform any of the acts set forth in subsections (i) through (x) of Section 2(b) in a timely fashion, such failure will be deemed an election by Franchisee not to exercise its right to enter into a Renewal Agreement, and will cause Franchisee's right to enter into a Renewal Agreement to expire without further notice or action by Franchisor.

(d) **Expiration.** Renewal of the License after the Initial Term shall not constitute a renewal or extension of this Agreement, but shall be conditioned upon satisfaction of the above provisions and shall, upon expiration of the Initial Term, be governed by the Renewal Agreement then executed by Franchisee. If Franchisee fails to meet any of the conditions under this Section 2 with respect to renewal of the License, then the License shall automatically expire at the end of the Initial Term. Subject to the requirements of this Section 2, Franchisee may only be granted a maximum of one (1) Renewal Term. Franchisee will have no further rights to operate the Franchised Business following the expiration of the Renewal Term unless Franchisor grants Franchisee another franchise or agrees to further renewals, in Franchisor's sole discretion. As necessary, the renewal franchise agreement may be amended to reflect this provision. If this Agreement is a renewal agreement, the renewal provisions in Franchisee's original franchise agreement will dictate the length of the term of this Agreement as well as Franchisee's remaining renewal rights, if any.

(e) **Continued Operation Following Expiration.** Unless Franchisee exercises its option to renew the License granted under this agreement in accordance with this Section 2, Franchisee has no right to continue to operate the Franchised Business after the expiration date. If Franchisor permits Franchisee to continue to operate the Franchised Business after the expiration date, but before the execution by Franchisee of a Renewal Agreement for a new term as required by Section 2(b) above, then the temporary continuation of the operations Franchised Business will be on a month-to-month extension of this Agreement and all of its terms, and will be terminable at Franchisor's will by giving Franchisee written notice of termination at least thirty (30) days before the termination is effective. If Franchisor allows Franchisee to continue to operate the Franchised Business on a month-to-month continuation of the Franchise Agreement and associated extension of this Agreement and all of its term, after termination, non-renewal, or expiration of this Agreement for any reason, then Franchisee must pay to Franchisor monthly an additional fee of One Hundred Fifty Percent (150%) of the Royalties due for the same month for every month of month-to-month operation after the Expiration Date, up to Franchisor's then-current initial franchise fee, which fee shall be in addition to Royalties, Brand Fund contributions, and any other payments due to Franchisor under this Agreement. If the law of the jurisdiction in which

Franchisor is located requires a longer notice period, the thirty (30) day period will be deemed modified to be the shortest notice period required by the laws of such jurisdiction.

(f) **Notice**. If applicable law requires that Franchisor gives notice of expiration or non-renewal to Franchisee prior to the expiration of the Initial Term or any Renewal Term, this Agreement shall be deemed to remain in effect on a month-to-month basis until Franchisor has given to Franchisee that notice of expiration or non-renewal so required and the applicable period required to pass before the notice becomes effective shall have expired.

3. Franchise Fees and Payments.

(a) **Initial Franchise Fee, Royalties, and Other Payments.** In consideration of Franchisor's execution of this Agreement and the services that Franchisor will perform, Franchisee agrees to pay to Franchisor the following fees in such manner as Franchisor may from time to time designate and on the due dates (each a "Due Date") specified below or in the Franchise Rider:

(i) An initial franchise fee ("Initial Franchise Fee") in the amount set forth on the Franchise Rider attached hereto. The Initial Franchise Fee shall primarily compensate Franchisor for Franchisor's pre-opening obligations under this Agreement. The parties recognize the value of the Initial Franchise Fee approximates the market value of the pre-opening obligations. The Initial Franchise Fee shall be deemed earned upon receipt.

(ii) In further consideration of the grant of the License and in consideration of Franchisor's ongoing services to Franchisee, Franchisee agrees to pay to Franchisor a royalty fee ("Royalty"), as set forth on the Franchise Rider attached hereto. The Royalty are due and payable on the Due Date set forth on the Franchise Rider or on such other date(s) Franchisor designates with thirty (30) days' advanced written notice to Franchisee.

(iii) Franchisee agrees to pay Franchisor's then-current technology fee for the development and maintenance of technologies for use at the Franchised Business ("Technology Fee"), which current fee may include variable costs, expenses, and fees associated with Franchisee's use of the technology. Additionally, Franchisor has the right to increase the minimum Technology Fee on an annual basis by Twenty Percent (20%).

(iv) If Franchisor or any of its affiliates is the designated supplier for any product or service for the Franchised Business (including but not limited to equipment, Technology or marketing or Online Presence services), Franchisee shall pay Franchisor's or its affiliate's then-current rates for such products or services.

(v) Franchisor has the right to require Franchisee to purchase goods and services through Franchisor's accounts with approved vendors and suppliers. Franchisor has the right to require Franchisee to pay Franchisor the costs and fees associated with Franchisee's purchases from approved vendors and suppliers, which costs and fees Franchisor will then remit to the vendor or supplier on Franchisee's behalf.

(b) **Method of Payment**.

(i) Unless otherwise designated by Franchisor, on each Due Date, Franchisor will transfer from the Franchisee's bank operating account ("Account") the amount reported to Franchisor in Franchisee's sales report or determined by Franchisor by the records obtained by Franchisor, as well as any other amounts due to Franchisor under this Agreement or any other agreement between Franchisor and Franchisee. If a transfer from Franchisee's Account is refused, an administrative fee of Fifty Dollars ($50) will be assessed, as well as reimbursement to Franchisor of any fee its bank charges for uncollected deposit funds. If Franchisee has not reported Gross Revenues to Franchisor for any fiscal period, Franchisor will transfer from the Account an amount calculated in accordance with its estimate of the Gross Revenues during the fiscal period. If, at any time, Franchisor determines that Franchisee has underreported its Gross Revenues, or underpaid the Royalties or other amounts due to Franchisor under this Agreement, or any other agreement, Franchisor shall initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided in this Agreement. Any overpayment will be credited to the Account effective as of the first reporting date after Franchisor and Franchisee determine that such credit is due.

(ii) Franchisor may require Franchisee to remit payment of the Royalties and other fees by electronic funds transfer ("EFT"). In connection with payment of the royalties fee by EFT, Franchisee shall: (1) comply with procedures specified by Franchisor in the Brand Standards Manual; (2) perform those acts and sign and deliver those documents as may be necessary to accomplish payment by EFT as described in this Section 3; (3) give Franchisor an authorization in the form designated by Franchisor to initiate debit entries and/or credit correction entries to the Account for payments of the royalties and other amounts payable under this Agreement, including any interest charges; and (4) make sufficient funds available in the Account for withdrawal by EFT no later than the Due Date for payment thereof; and (5) maintain a single bank account to make all payments required by this Agreement. Franchisee must advise Franchisor at least fifteen (15) business days prior to any change in Franchisee's bank account or financial institution; no such change will be permitted without the prior written authorization of Franchisor. To ensure the orderly electronic transfer of the royalties and all other fees as outlined in this Section 3, Franchisee will enter into and maintain a banking agreement with the financial institution which will be responsible for the transfer and payment of the fees owed by Franchisee to Franchisor, and a copy of that agreement will be submitted to Franchisor prior to the effective date of this Agreement. Franchisee shall not withhold any payments required to be made under this Agreement on any grounds, including any allegations of Franchisor's non-performance. Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement and may subject this Agreement to termination for cause as hereinafter set forth.

(iii) Franchisor may also, at its option, collect the royalties and any other fee due to Franchisor under this Agreement at the time that Franchisee's clients make a payment for goods and services provided by Franchisee through the billing systems that Franchisor has designated.

(c) **Application of Payment**. If Franchisee is delinquent in the payment of any obligation to Franchisor, its subsidiaries, affiliates, or designees, then Franchisor (or such subsidiaries, affiliates or designees), will have the right to apply any payment from Franchisee to any obligation due, including the oldest obligation due, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to such application. For the avoidance of doubt, Franchisor has the right to offset the payments owed to or amounts collected on behalf of Franchisee.

(d) **Inflation Adjustments.** Franchisor and its affiliates reserve the right to increase the amount of any fee provided for hereunder, including, without limitation, the royalties, or Brand Fund contribution due Franchisor or an affiliate under this Agreement or a related agreement ("Inflation Adjustment"). An Inflation Adjustment shall be in relation to the changes in the Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor, the cost-of-living-adjustment ("COLA") using the COLA factors determined by the United States Department of Labor, or such other measure determined reliable by Franchisor, and occurring no more frequently than annually. Franchisor will notify Franchisee of the amount or percentage adjustment thirty (30) days prior to their effective date.

(e) **No Offset or Retention of Funds.** Franchisee may not offset or withhold payments owed to Franchisor or its affiliates for amounts purportedly due Franchisee as a result of any dispute of any nature or otherwise, but will pay such amounts to Franchisor or its affiliates and only thereafter seek reimbursement.

(f) **Interest and Late Fees**. If Franchisee fails to pay the full amount of the royalties or any other amount due to Franchisor when due or Franchisee has insufficient funds to cover the electronic transfer when initiated by Franchisor, Franchisee shall pay interest on the amount due and unpaid at an interest rate equal to the lower of one and one half percent (1.5%) or the maximum interest rate allowed by law. For any report that Franchisee fails to timely submit to Franchisor, Franchisor shall charge an additional fee of up to One Hundred Fifty Dollars ($150). This late fee is not interest or a penalty but compensates Franchisor for increased administrative and management costs due to Franchisee's late payment. Franchisor may debit Franchisee's account automatically for late fees and interest. This Subsection is not Franchisor's agreement to accept any late payments or its commitment to extend credit to, or otherwise finance Franchisee's operation of, the Franchised Business.

(g) **Definition of Gross Revenues**. For purposes of this Agreement and any attachments or exhibits thereto, "Gross Revenues" shall mean the total revenue generated by Franchisee's CARE WITH LOVE business, including all revenue generated from the sale and provision of any and all approved products and services at or through the Franchised Business and all proceeds from any business interruption insurance related to the non-operation of the Franchised Business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" does not include (a) tips received by employees through their employment with the Franchised Business, (b) any sales tax and equivalent taxes that are collected by the Franchised Business for or on behalf of any governmental taxing authority and

paid thereto, or (c) discounts, allowances, and returns. "Gross Revenues" includes the amounts that are billed to clients or payors and is not adjusted for any uncollected amounts.

4. Franchisor Services.

During the Term, Franchisor agrees to provide to Franchisee the following services:

(a) To the extent Franchisor has them available, Franchisor shall provide Franchisee with specifications for the furniture, supplies, fixtures, décor, signs, equipment, and Technologies of the Franchised Business, a list of equipment, supplies, products, and services for the Franchised Business, and a list of recommended or required vendors or suppliers of such; provided that Franchisor reserves the right to amend and/or modify such specifications or lists at any time;

(b) To the extent Franchisor has them available, Franchisor shall provide Franchisee with standards and specifications for all services to be provided at the Franchised Business, and, if relevant, goods and merchandise to be sold, as well as other products and materials used in connection with the operation of the Franchised Business;

(c) Franchisor shall provide Franchisee with a single pre-opening Initial Training Program for the Operations Manager (as defined in Section 11(y)) and up to one additional person selected by Franchisee and accepted by Franchisor and such other persons as Franchisor may reasonably designate; provided that Franchisee shall be responsible for all expenses incurred by such persons in connection with training, including, without limitation, all cost of travel, lodging, meals and wages. Franchisor reserves the right to charge an additional training fee for any additional people that Franchisee is approved to bring to the pre-opening Initial Training program.

(d) In Franchisor's sole discretion and/or at the request of Franchisee, Franchisor may offer additional or supplemental training. Franchisee shall be responsible for all expenses incurred by such persons in connection with additional or supplemental training, including, without limitation, all cost of travel, lodging, meals and wages. Franchisor also reserve the right to charge an additional fee and to require attendance at additional trainings;

(e) At Franchisee's reasonable request, Franchisor will promptly provide such advice and information as it considers reasonably appropriate to assist Franchisee with all methods and procedures associated with the System, including marketing, advertising, management, and administration. Franchisee understands and agrees that such advice and information may be rendered by phone, electronically, through the Brand Standards Manual, training and/or by such other means as Franchisor deems appropriate in its sole discretion. Franchisor may, in its discretion, convene meetings of franchisees as it considers necessary or appropriate, in its discretion;

(f) Franchisor shall communicate to Franchisee information relating to the operation of a CARE WITH LOVE business, and to the extent necessary or pertinent to the operation of the Franchised Business, Franchisor's know-how, new developments, techniques, and improvements in the areas of management, marketing, sales, and client service.

(g) Franchisor may in certain situations incur legal expenses while providing assistance to Franchisee with respect to, without limitation, lease negotiations, or other legal compliance issues. Such assistance may be at the request of Franchisee or required by Franchisor and may be provided by Franchisor in-house or by outside counsel; provided however, that Franchisor shall have the sole discretion as to whether or not to provide legal assistance. In the event Franchisor does incur legal expenses on behalf of Franchisee, Franchisee shall reimburse Franchisor for such expenses immediately upon notice from Franchisor. Franchisor may, at its option, be reimbursed by EFT.

(h) FRANCHISEE AGREES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY TRAINING OR ASSISTANCE TO FRANCHISEE'S PARTICULAR LEVEL OF SATISFACTION, BUT AS A FUNCTION OF FRANCHISOR'S EXPERIENCE, KNOWLEDGE AND JUDGMENT. FRANCHISEE ALSO ACKNOWLEDGES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY SERVICES TO FRANCHISEE THAT ARE NOT SET FORTH IN THIS AGREEMENT. IF FRANCHISEE BELIEVES FRANCHISOR HAS FAILED TO ADEQUATELY PROVIDE ANY PREOPENING SERVICES TO FRANCHISEE, WHETHER WITH RESPECT TO SITE SELECTION, SELECTION AND PURCHASE OF EQUIPMENT AND SUPPLIES, TRAINING, OR ANY OTHER MATTER AFFECTING THE ESTABLISHMENT OF THE FRANCHISED BUSINESS, FRANCHISEE MUST NOTIFY FRANCHISOR IN WRITING WITHIN THIRTY (30) DAYS FOLLOWING THE OPENING OF THE FRANCHISED BUSINESS OR FRANCHISEE WILL BE DEEMED TO CONCLUSIVELY ACKNOWLEDGE THAT ALL PRE-OPENING SERVICES REQUIRED TO BE PROVIDED BY FRANCHISOR WERE SUFFICIENT AND SATISFACTORY IN FRANCHISEE'S JUDGMENT, AND COMPLIED WITH ALL REPRESENTATIONS MADE TO FRANCHISEE. IF FRANCHISEE FAILS TO SO NOTIFY FRANCHISOR, FRANCHISEE WILL BE DEEMED TO HAVE WAIVED ALL CLAIMS RELATING TO OR ARISING FROM FRANCHISOR'S OBLIGATIONS TO PROVIDE PREOPENING ASSISTANCE.

5. Territorial Provisions.

(a) Subject to the provisions of this Section 5, provided Franchisee is in compliance with its obligations under this Agreement, Franchisor agrees that until the earlier of the termination, expiration, or non-renewal of this Agreement, it will not establish and operate, nor license any party other than Franchisee to establish and operate, a CARE WITH LOVE-branded business which operates using the Marks and the System providing non-medical personal care services to clients' homes, within the territory set forth in the Franchise Rider attached hereto (the "Territory"), except as otherwise reserved by Franchisor. Until such time as the Location is identified and agreed upon in the Franchise Rider or in the Site Selection Approval Letter (as defined in the Franchise Rider), no Territory will be granted to Franchisee and Franchisor shall have the right to locate other franchises anywhere Franchisor determines without interfering with any territorial rights of Franchisee. Notwithstanding anything in this Agreement to the contrary, Franchisee's Territory excludes enclosed malls, hospitals, schools, military bases, and similar limited access venues ("Non-Traditional Locations").

(b) Franchisee recognizes and acknowledges that (i) it will compete with other CARE WITH LOVE businesses which are now, or which may in the future be, located near or adjacent to Franchisee's Territory and (ii) that such businesses may be owned by Franchisor, its affiliates, and/or third parties. Franchisee may offer and sell approved products and services only within the Territory, except as Franchisor otherwise approves in advance, and in such event only in accordance with the requirements of this Agreement and the procedures set forth in the Brand Standards Manual. Franchisee may not offer, market, or sell products and services through any other means or locations, including via the internet, except as permitted by Franchisor.

(c) Franchisee must use commercially reasonable efforts to develop demand for the services offered by the Franchised Business and to service its clients, all in accordance with the standards and policies established by Franchisor.

(d) Franchisee hereby acknowledges and agrees that the Territory is of sufficient size and scope to support the Franchised Business.

(e) Franchisee shall not solicit nor market to clients who are outside of its Territory nor provide goods or services to clients located inside or outside of its Territory, without receiving Franchisor's prior written permission. Franchisee shall follow all of Franchisor's standards, procedures, and instructions regarding any activities outside of the Territory. If Franchisor grants Franchisee permission to conduct any out-of-Territory activities, Franchisee acknowledges and agrees that Franchisee does not gain any additional territory or exclusivity rights. Franchisor has the right to terminate or suspend Franchisee's approval to conduct any out-of-Territory activities, and Franchisee shall immediately comply and cease operations outside of the Territory. Franchisee shall provide Franchisor with the information for any clients it has serviced outside of the Territory. Such out-of-Territory clients may be serviced by Franchisor, an affiliate of Franchisor, or any of Franchisor's franchisees. Notwithstanding the foregoing, Franchisor does not warrant or represent that no other CARE WITH LOVE business will solicit or make any sales within the Territory, and Franchisee hereby expressly acknowledges and agrees that such solicitations or sales could occur within the Territory. Franchisor shall have no duty to protect Franchisee from any such sales, solicitations, or attempted sales.

(f) Franchisor grants franchises and the rights to develop and operate CARE WITH LOVE franchised businesses only pursuant to the express terms of written agreements and not orally. All rights that are not granted to Franchisee in this Agreement are specifically reserved to Franchisor, and Franchisor will not be restricted in any manner from exercising them nor will Franchisor be required to compensate Franchisee should Franchisor exercise them. This includes the right, directly or through others and regardless of either (a) proximity to Franchisee's Location or Territory or (b) any actual or threatened impact on sales of Franchisee's business to:

(i) use the Marks and System in connection with establishing and operating businesses at any location outside the Territory;

(ii) use the Marks or other marks in connection with selling or distributing any goods (including branded merchandise and products) or services anywhere in the world (including within the Territory), whether or not Franchisee also offers them, through channels of distribution other than a CARE WITH LOVE-branded business using the Marks and the System providing non-medical, personal care services at clients' private

homes within the Territory (including, for example, brick-and-mortar locations, kiosks, catalogs, mail order, or the internet, e-commerce, or other electronic means);

(iii) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory);

(iv) use the Marks in connection with soliciting or directing advertising or promotional materials to clients anywhere in the world (including within the Territory);

(v) establish or operate, or license other persons to establish or operate, a CARE WITH LOVE business within any Non-Traditional Location anywhere in the world (including within the Territory);

(vi) directly, or through an authorized third party, advertise, solicit, enter into contracts with and service National Account customers (defined in Section 10) in any area, including in the Territory, whether or not Franchisee has or is currently providing services to the customer, subject to the terms of Section 10. If (1) Franchisee declines to service a National Account customer, (2) Franchisee fails to service the National Account customer in accordance with Franchisor's standards, (3) Franchisor reasonably determine that Franchisee is not able to reliably service the National Account customer, or (4) the National Account customer requests that Franchisee not fulfill the service order, Franchisor may designate another party to service the National Account customer in the Territory from that time on without paying any compensation to Franchisee. Such designated parties could be Franchisor, Franchisor's affiliates, other franchisees, or another third party. Franchisor's exercise of the reserved rights described in this subsection are not a default of this Agreement or any other agreement between the parties;

(vii) use the Marks to establish or operate or license other persons to establish or operate a business offering other types of care that Franchisee is not authorized under the System to provide, including but not limited to, Skilled Care, medical Caregiving facilities, or healthcare related staffing, anywhere in the world (including within the Territory); and

(viii) use the Marks or other marks to directly, or through Franchisor's affiliates or a third party, offer, sell, and provide goods and services other than those that Franchisee is authorized to offer, sell, and provide under the then-current System, through any channel of distribution.

(g) Franchisee has no right of first refusal or other options or rights to open any additional CARE WITH LOVE businesses.

6. Premises, Inspections, and Refurbishment.

(a) Location Selection and Acceptance

(i) Franchisee shall operate the Franchised Business from a Franchisor approved Location. The building at the accepted Location will serve as the headquarters for the Franchised Business (the "Premises"). Within three (3) months of the Effective Date, Franchisee shall acquire or lease, at Franchisee's expense, the Premises for the operation of the Franchised Business. If the Location is unknown as of the Effective Date,

this Section 6(a) shall govern the Location selection and acceptance process. The Location must be within the prospective market area described in Attachment A attached hereto and incorporate herein by reference (the "Prospective Market Area"). The Location and Premises must comply with Franchisor's standards and specifications. Promptly after Franchisee finds and obtains Franchisor's written acceptance of such proposed Location, Franchisee must secure the Premises under a Lease (defined in Section 6(b) below) acceptable to Franchisor. The timeframes during which Franchisee must search for, propose, obtain Franchisor's written acceptance of the Location and secure the Premises under a Lease (the "Site Selection Period") will expire upon the earliest of (a) Franchisor's acceptance of the Location and Lease and giving Franchisee a Territory Acceptance Letter, (b) this Agreement's termination, or (c) three (3) months after this Agreement's Effective Date.

(ii) Franchisee must locate, evaluate, and select the Location. Franchisor will not search for or select the Location for Franchisee. Franchisor will review all potential locations that Franchisee identifies and may, but shall have no obligation to, visit and review such potential locations. Franchisor has the right to condition its acceptance of such proposed locations, or proposed location visits, on Franchisee first sending Franchisor complete location reports and other materials (including, without limitation, photographs and digital recordings) Franchisor requests, in its sole discretion. Franchisor will give Franchisee its then-current standards, specifications, and criteria for the Location (including, without limitation, population density and other demographic characteristics, general location, traffic patterns, parking availability, lease terms, visibility, competition, accessibility, ingress and egress, size, and other physical and commercial characteristics) to aid in the Location-selection process. However, even if Franchisor recommends or provides Franchisee information regarding potential Locations or Location criteria, Franchisee acknowledges that Franchisor has made, and will make, no representations or warranties of any kind, express or implied, about the Location's suitability for Franchisee's Franchised Business or the likelihood that Franchisor ultimately will accept such Locations.

(iii) Franchisee must submit all information Franchisor requests when Franchisee proposes a Location, including, without limitation, an abstract specifying the key terms of the purchase transaction or proposed Lease for the Premises. Franchisor shall not unreasonably withhold its acceptance of a Location if, in its experience and based on the factors outlined above, the proposed Location and/or Premises are not inconsistent with locations and premises that Franchisor regards as favorable or the otherwise have been successful locations and premises in the past for CARE WITH LOVE businesses. However, Franchisor has the absolute right to reject any location not meeting its criteria or to require Franchisee to acknowledge in writing that a location Franchisee prefers, while acceptable to Franchisor, is not recommended due to its incompatibility with certain factors that bear on a location's suitability as a location for a CARE WITH LOVE business. Franchisor will use reasonable efforts to review and accept or reject each location Franchisee proposes within thirty (30) days after Franchisor receives all requested information and materials. If Franchisor does not accept the location in writing within

such fifteen (15) days, the location will be deemed rejected and Franchisee shall not locate its Franchised Business at such location.

(iv) Franchisor's recommendation or acceptance of a location that Franchisee ultimately selects for its Franchised Business indicates only that Franchisor believes the location is not inconsistent with locations that Franchisor regards as favorable or that otherwise have been successful locations in the past for CARE WITH LOVE businesses. FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT FRANCHISOR'S ACCEPTANCE OF A LOCATION FOR FRANCHISEE'S FRANCHISED BUSINESS IS NOT AND SHALL NOT BE CONSTRUED AS A GUARANTEE OR ASSURANCE THAT THE BUSINESS WILL BE PROFITABLE. Applying criteria appearing effective with other sites might not accurately reflect the potential of all locations, and demographic or other factors included in or excluded from Franchisor's criteria could change, altering a location's potential. The uncertainty and instability of these criteria are beyond Franchisor's control, and Franchisor is not responsible if the particular location fails to meet Franchisee's expectations. Once a proposed location is accepted and secured, Franchisor shall send Franchisee its Territory Acceptance Letter.

(v) If Franchisee does not (a) find an acceptable Location within the Prospective Market Area and (b) secure the Premises under an approved Lease within three (3) months of the Effective Date of this Agreement (as provided in Section 6(b) below), Franchisor has the right to terminate this Agreement, pursuant to the terms of Section 17 of this Agreement, effective upon delivery of written notice to Franchisee (i.e., each is a separate contractual obligation with which Franchisee must comply). Franchisor will not return to Franchisee any portion of the Initial Franchise Fee.

(b) <u>Premises</u>.

(i) <u>Lease</u>. Franchisee must send Franchisor for its review and written acceptance, which Franchisor will not unreasonably withhold, both (a) the proposed terms (as they appear in, for example, a landlord letter of intent or lease abstract) of any lease or sublease (and any renewals, amendments, or extensions of the lease or sublease) (collectively, the "Lease") that will govern Franchisee's occupancy and lawful possession of the Premises and (b) the actual Lease, in each case after receipt from the landlord. Franchisor will have thirty (30) days after receiving the Lease, to review and either accept or reject what Franchisee sends Franchisor. The Lease must include the Rider substantially in the form attached to this Agreement as Attachment 2. Franchisee may not sign any Lease that Franchisor has not accepted in writing. Franchisor has the right (but no obligation) to guide or assist Franchisee with the leasing process but will not negotiate the Lease for Franchisee or provide any legal advice. If Franchisor does not accept the Lease, in writing within the applicable thirty (30) -day period after receiving the Lease from Franchisee, the Lease will be deemed rejected. Franchisor's guidance, assistance, and written acceptance of the Lease are not a guarantee or warranty, express or implied, of the Franchised Businesses' success or profitability or of the Lease's suitability for Franchisee's business purposes. Franchisor's acceptance indicates only that Franchisor believes the Location and

the Lease terms adequately protect Franchisor's interests and/or the interests of other CARE WITH LOVE franchisees, to the extent those interests are implicated in the Lease. Franchisee must have a signed Lease by the end of the Site Selection Period. Franchisee must send Franchisor a true copy of the signed lease within ten (10) days after it is fully executed. After the Lease is executed, Franchisee must send Franchisor prior notice of any revisions to its terms, whether proposed by Franchisee or the landlord, and Franchisor has the right to accept or reject those proposed revisions before they become effective.

(ii) Owned Premises. If Franchisee intends to own or currently owns the Premises, Franchisee must obtain acceptance of the Premises from Franchisor, which acceptance may be withheld at Franchisor's discretion, and shall furnish Franchisor proof of ownership prior to the date Franchisee commences any construction, build-out or remodeling of the Premises. In the event that Franchisee proposes to lease the Premises from any Owner, affiliate, guarantor, shareholder, member, manager, partner, director, officer or other principal of Franchisee, or from any person or entity related to or affiliated with Franchisee or one (1) or more of Franchisee's Owners, affiliates, shareholders, members, guarantors, partners, directors, officers or other principals ("Related Party"), Franchisor may require the Related Party to sign this Agreement and/or separate agreements for the purpose of binding the Related Party to applicable provisions of this Agreement, as determined by Franchisor. Franchisee shall also execute a written lease agreement accepted by Franchisor with the Related Party and deliver a copy to Franchisor. Any such lease shall comply with the terms of Section 6(b)(i) above.

(iii) Suitability of the Premises. Regardless of whether the Premises is owned or leased, it shall be the responsibility of Franchisee to determine that the Premises can be used, under all applicable laws and ordinances, for the purposes provided herein. Franchisee shall obtain all permits and licenses that may be required to establish and operate the Franchised Business from the Premises. Franchisee agrees that the Premises will not be used for any purpose other than the operation of the Franchised Business in compliance with this Agreement.

(iv) Construction. If construction is necessary to modify the commercial real estate Premises to fit Franchisor's specifications and requirements, Franchisee, at its expense, is solely responsible for constructing, renovating or up-fitting, or causing to be constructed, renovated or up-fitted, the Premises for the purpose of operating the Franchised Business. Franchisee agrees that it will construct or remodel the Premises at the accepted Location in accordance with Franchisor's standards and specifications for the construction, remodeling, layout, design, and décor for CARE WITH LOVE businesses ("Construction Standards"). Franchisee shall purchase or lease the equipment, fixtures, and furnishings that conform with Franchisor's Construction Standards. Franchisee is solely responsible for the construction of the Premises. Franchisee shall obtain Franchisor's acceptance of Franchisee's proposed plans for construction, remodeling, layout, design, and décor for the Franchised Business. Franchisee will commence any required construction, renovation, or remodeling promptly after execution of the Lease for or closing on the purchase of the Premises. Franchisee shall maintain continuous construction, renovation, or remodeling of the Premises until completion. Franchisee will complete

construction, renovation, or remodeling in accordance with the plans for the Franchised Business Franchisor has accepted. Except as may be required to have the accepted plans changed to comply with the Applicable Law, Franchisee shall not deviate from the accepted plans without the prior approval of Franchisor. Franchisor has no obligation to include the requirements of any Applicable Law in the Construction Standards. Franchisee also acknowledges that the requirements of the Construction Plans may exceed those required under the Applicable Law. "Applicable Law" means any law, rule, regulation, code or requirement applicable to the construction, remodeling, design, layout, building, permitting, and development of the Franchised Business, including, without limitation the Americans With Disabilities Act ("ADA") or similar rules governing public accommodations for persons with disabilities. It is solely Franchisee's responsibility to make sure that the design and construction of the Franchised Business and the Premises are in compliance with all Applicable Laws. Franchisee Indemnifying Parties shall indemnify and hold Franchisor Indemnified Parties harmless against any and all claims, actions, causes of action, costs, fees, fines and penalties, of every kind and nature, should the design and/or construction of the Premises fail in any way to comply with any Applicable Laws. Franchisor has the right to require Franchisee to use an accepted and approved architect, general contractor, construction manager, or other supplier of design, engineering, construction, and related services. Franchisee agrees to provide Franchisor with construction progress updates in a form accepted by Franchisor at the intervals designated by Franchisor. Further, Franchisee shall require all such service providers to give Franchisee and Franchisor, upon completing the project, all close-out manuals or other documentation confirming adherence to all project specifications.

(v) **Signs.** Franchisee shall prominently display, at its own expense, both on the interior and exterior of the Premises of any Franchised Business advertising signs in such form, color, number, location and size, and containing such Marks, logos and designs as Franchisor shall designate. Franchisee will be responsible for ordering any required signage, including an exterior sign for the Franchised Business, from an approved vendor at Franchisee's expense. Franchisee shall obtain all permits and licenses required for such signs and shall also be responsible for ensuring that all signs comply with all laws and ordinances. Franchisee shall not display in or upon the Premises any sign or advertising of any kind to which Franchisor objects.

(vi) **Premises De-identification.** Subject to Franchisor's rights in Section 18 and regardless of whether the Premises are owned or leased, Franchisee shall remove all signs and other items and indicia which serve, directly or indirectly, to identify the Premises as a CARE WITH LOVE business within ten (10) days of the expiration, non-renewal, or termination of this Agreement for any reason. In the event Franchisee does not comply with this requirement, Franchisor may enter the Premises, without being guilty of trespass and without incurring any liability to Franchisee, to remove all signs and other items identifying the Premises as a CARE WITH LOVE business and to make such other modifications as are reasonably necessary to protect the Marks and the System, and to distinguish the Premises from other CARE WITH LOVE businesses. Provided, however, that this obligation of Franchisee shall be conditioned upon Franchisor giving Franchisee prior written notice of the modifications to be made and the items to be removed.

(c) **Relocation.** Franchisee shall not relocate the Franchised Business to a new location without Franchisor's prior written consent, which Franchisor has the right to grant or deny as it deems best. Franchisor has the right to condition relocation approval on (a) the new site and its lease being acceptable to Franchisor, (b) Franchisee reimbursing any costs Franchisor incurs during the relocation process, (c) Franchisee confirming that this Agreement remains in effect and governs the Franchised Businesses' operation at the new location with no change in the Initial Term or Renewal Term or, at Franchisor's option, Franchisee signing Franchisor's then-current form of franchise agreement to govern the Franchised Businesses' operation at the new location for a new franchise term, (d) Franchisee signing a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its owners, affiliates, officers, directors, employees, and agents, (e) Franchisee continuing to operate the Franchised Businesses at its original Location until Franchisor authorizes its closure, and (f) Franchisee taking within the timeframe Franchisor specifies, and at Franchisee's own expense, all action Franchisor requires to de-brand and de-identify the Franchised Businesses former Premises so it no longer is associated in any manner (in Franchisor's opinion) with the CARE WITH LOVE System and the Marks. If Franchisee's landlord terminates Franchisee's right to possess the Premises prior to the expiration of the Initial Term or any applicable Renewal Term, Franchisor and Franchisee shall mutually select a new location for the Franchised Business within sixty (60) days following Franchisee's loss of possession. For the avoidance of doubt, in the event Franchisee's landlord terminates Franchisee's right to possess the Premises, subsections (a) through (f) above shall continue to apply.

(d) **Pre-Operations Inspection**. Franchisee hereby grants Franchisor and its agents the right to inspect the operations of the Franchised Business, whether at the Premises or at clients' locations. Franchisor may enter the Premises and any vehicles used in the operation of the Franchised Business at any time prior to the beginning of operations in order to inspect, photograph, and/or videotape on-going new construction or leasehold improvements, designs, purchased and installed equipment, operations and the performance of any and all services by Franchisee and/or Franchisee's employees, invitees or agents. Franchisee also grants Franchisor and its agents the right to enter and inspect any vehicles used in the operation of the Franchised Business at any time prior to use by the Franchisee in order to assess its compliance with Franchisor's standards. Franchisee shall cooperate with Franchisor's representatives with those inspections by rendering whatever assistance they may reasonably request, including assistance necessary to enable Franchisor to contact and interview any architect, designer, vendor, contractor, sub-contractor or Franchisee employee. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee, at its sole expense, shall take such steps as deemed to be necessary by the Franchisor to immediately correct any and all deficiencies detected during any such inspection, including without limitation, correcting construction deficiencies or defects, replacing equipment, vehicles, and supplies, and requiring the Franchisee to desist from the further use of any equipment, designs, advertising materials, products, and/or supplies that do not conform with Franchisor's then-current plans and specifications, standards or requirements. If an inspection reveals noncompliance and Franchisor conducts one or more follow-up inspections to verify correction of such deficiencies, Franchisee shall reimburse Franchisor for all costs and expenses incurred in connection with each follow-up inspection, in addition to any fine Franchisor may impose under Section 23(m). Franchisor also has the right to require Franchisee to delay the opening of its Franchised Business if such opening

would create a public health or safety risk. That suspension will continue until, in Franchisor's sole opinion, the cause of the event has been determined and corrected. Franchisee acknowledges and agrees that any and all inspections by Franchisor and all demands made by Franchisor to correct deficiencies and conform to Franchisor's standards and specifications will not constitute a representation or warranty by Franchisor that the Franchised Business, or the Premises, comply with applicable laws, codes, ordinances, regulations or governmental standards.

(e) Operations Inspections. Franchisor and its agents have the right to inspect the Premises, operation of the Franchised Business (including operations at the homes of clients), and/or Franchised Business, with or without notice, in person or remotely via communications technology, in order to inspect, photograph, and/or videotape use and operations of the and Franchised Business to ensure compliance with all requirements of this Agreement and the Brand Standards Manual. Franchisee will cooperate with Franchisor's representatives in those inspections by rendering whatever assistance Franchisor may reasonably request, including using communications or audiovisual technology, such as a smartphone, to facilitate the remote inspection by Franchisor or Franchisor's agents and the assistance necessary to enable Franchisor to contact and interview contractors, vendors, and suppliers, as well as Franchisee's clients and former clients. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee shall promptly correct any deficiencies identified during an inspection and immediately desist from the further use of the Premises that does not conform to Franchisor's then-current plans and specifications, the Brand Standards Manual, or other standards or requirements, and repair or replace anything in the Franchised Business that does not so conform. If an inspection reveals noncompliance and Franchisor conducts one or more follow-up inspections to verify correction of such deficiencies, Franchisor may require Franchisee to reimburse Franchisor for all costs and expenses incurred for each follow-up inspection of the Franchised Business (this is in addition to any fine that Franchisor may impose under Section 23(m)). Franchisor also has the right to require Franchisee immediately to suspend the Franchised Businesses' operation temporarily if continued operation would create a public health or safety risk. That suspension will continue until, in Franchisor's sole opinion, the cause of the event has been determined and corrected. Franchisee acknowledges and agrees that any and all inspections by Franchisor and all demands made by Franchisor to correct deficiencies and conform to Franchisor's standards and specifications will not constitute a representation or warranty by Franchisor that the Premises, Franchised Business, or its operations comply with applicable laws, codes, ordinances, regulations or governmental standards. Upon reasonable written notification from Franchisor of a scheduled inspection, one of Franchisee's Owners must be present during such inspection.

(f) Remodeling and Re-equipping. Franchisor reserves the right to require Franchisee to generally refurbish the Franchised Business and the Premises at Franchisee's expense, in order to conform to the building design, trade dress, color schemes and presentation of the Marks in a manner consistent with the then-current image for CARE WITH LOVE franchises and may include, without limitation, structural changes, installation of new materials and equipment, remodeling, redecoration, changing color schemes, and modifications and/or repairs to existing improvements. Such remodeling and re-equipping may include, without limitation, replacing worn out, obsolete, or dated equipment, vehicles, fixtures, furnishings, and signs; structural modifications, redecorating; purchasing more efficient or improved equipment;

or requiring replacement of the wrap or equipment on the vehicles used in the operations of the Franchised Business to meet Franchisor's then-current specifications. Franchisor may require Franchisee to perform remodeling and to purchase equipment at such times as Franchisor, in its sole discretion, deems necessary and reasonable. FRANCHISEE ACKNOWLEDGES THAT EQUIPMENT, ALTERATIONS AND RENOVATIONS REQUIRED BY FRANCHISOR MAY INVOLVE SUBSTANTIAL ADDITIONAL INVESTMENT BY FRANCHISEE DURING THE TERM OF THIS AGREEMENT. Franchisor shall not require substantial additional investment to be made by the Franchisee more than two (2) times during the Initial Term. In the event of Franchisee's delay, refusal, or failure to make repairs or modifications to the Premises as specified by this Section 6(f), Franchisor or its agents may enter the Premises, without further notice and without liability for trespass or other tort and with Franchisee's complete cooperation, and remove, repair, and/or replace, at Franchisee's expense, any items which do not conform to Franchisor's then-current standards and specifications or which are not in conformity with Franchisee's obligation to maintain the Franchised Business, and the Premises in the highest degree of repair and condition. In addition to any and all other remedies that the Franchisor may have in law or in equity, Franchisee shall reimburse the Franchisor for all out-of-pocket expenses incurred by Franchisor in connection with any refurbishing work performed by the Franchisor pursuant to this Section 6(f), plus an administrative fee of fifteen percent (15%) of the total aggregate amount of expenses incurred by the Franchisor. In the event that the Franchisee fails to reimburse Franchisor within seven (7) days of the date Franchisee is billed for all such amounts, Franchisee authorizes Franchisor to collect all amounts due, including interest, at the rate of one and one half percent (1.5%) per annum or the maximum amount permitted by law and any applicable late fees on the amount due, through electronic banking transfers as specified in this Agreement. These remodeling and refurbishing obligations are in addition to Franchisee's general responsibility to maintain the condition and appearance of the Premises consistent with Franchisor's then-current standards. Franchisee must keep the Premises, including all of its fixtures, furnishings, equipment, materials, and supplies, in the highest degree of cleanliness, orderliness, and repair, as determined by Franchisor.

7. Proprietary System and Marks; Franchisor Property Rights.

(a) <u>Ownership; Use by Others</u>. Franchisor and its affiliates shall have and retain all rights associated with the Marks other than those expressly licensed herein, including, but not limited to the following: (a) to use the Marks in connection with selling products and services; (b) to grant licenses to others for the Marks, in addition to those licenses already granted to existing franchisees; (c) to develop and establish other systems using the Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee; and (d) to sell and distribute products via alternate distribution channels bearing the Marks. Franchisee acknowledges that any unauthorized use of the System or the Marks is and shall be deemed an infringement of Franchisor's rights. Franchisee shall execute any documents deemed necessary by Franchisor and its affiliates or their counsel for the protection of the System and the Marks or to maintain their validity or enforceability, or to aid Franchisor and its affiliates in acquiring rights in or in registering any of the System and the Marks or any trademarks, trade names, service marks, slogans, logos and emblems subsequently adopted by Franchisor. Franchisee shall give notice to Franchisor of any knowledge that Franchisee acquires of use by others of the same or similar names or marks or of any claim or litigation instituted by

any person or legal entity against Franchisee involving the System or any of the Marks. Franchisee shall cooperate with Franchisor and its affiliates in any suit, claim or proceeding involving the System or the Marks or their use to protect Franchisor's and its affiliates' rights and interest in the System and the Marks. In the event of any settlement, award or judgment rendered in favor of Franchisor and its affiliates relating to the use or ownership of the System or the Marks, such settlement, award or judgment shall be the sole property of Franchisor and its affiliates and Franchisee shall not be entitled to or make any claim for all or any part of it. Franchisee acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of value of the Marks and the goodwill associated with the Marks and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Franchisee or enter into this Agreement without receiving Franchisee's unrestricted promise to use the Marks only in a the manner authorized by Franchisor.

(b) Use of Marks. During the term of this Agreement or thereafter, directly or indirectly, Franchisee shall not commit any act of infringement or contest or aid in contesting the validity or ownership of the System or the Marks, or take any other action to disparage them. Franchisee shall use the Marks only in connection with the operation of the Franchised Business, and shall use them only in the manner authorized by Franchisor. Franchisee shall prominently display the Marks in the manner prescribed by Franchisor on all signs and other supplies and packaging materials designated by Franchisor. Franchisee shall not fail to perform any act required under this Agreement, or commit any act which would impair the value of the Marks or the goodwill associated with the Marks. Franchisee shall not at any time engage in any business or market any products or service under any name or mark which is confusingly or deceptively similar to any of the Marks. Franchisee shall not use any of the Marks as part of its corporate or trade name and shall not use any trademark, trade name, service mark, logo, slogan or emblem in connection with the Franchised Business that has not been authorized by Franchisor. Franchisee shall obtain such fictitious or assumed name registrations as may be required by Franchisor or applicable state law. Franchisee shall not attempt to register or otherwise obtain any interest in any Internet domain name, website or URL containing or utilizing any of the Marks or any other word, name, symbol or device which is likely to cause confusion with any of the Marks. Franchisee also acknowledges that its use of the Marks pursuant to this Agreement does not give Franchisee any ownership or other interest in or to the Marks, except the license granted by this Agreement. Franchisee shall not use any of Franchisor's Marks in connection with employee facing labor and employment materials. To the extent Franchisee uses any Marks in employment-related materials, Franchisee must include a clear disclaimer that Franchisee (and only Franchisee) is the employer of employees at the Franchised Business and that Franchisor, as the franchisor of the CARE WITH LOVE System, and its affiliate are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee also must obtain an acknowledgment (in the form Franchisor specifies or approves) from all its employees that Franchisee (and not Franchisor or its affiliates) is their employer.

(c) Designation as Franchisee. Franchisee shall take such additional action as may be necessary under the laws of the state in which the Franchised Business is operated to make clear

to the public that Franchisee is an independent franchisee of Franchisor and not owned by Franchisor. Franchisee shall post on invoices, purchase orders, marketing materials and the like for all Franchised Business concepts that "This CARE WITH LOVE franchise is independently owned and operated by Franchisee under license from CARE WITH LOVE ELITE, LLC".

(d) Discontinuance of Use: Additional Marks. Franchisor has the right to change, revise, or substitute different Marks for use in identifying the System, the Franchised Business, and the products or services sold or offered for sale through the Franchised Business, if Franchisor, in its sole discretion, determines that change, revision, or substitution of different Marks will be beneficial to the System. In such circumstances, the use of the substitute proprietary marks shall be governed by the terms of this Agreement. Franchisee shall comply with each such change, revision, or substitution and bear all expenses associated therewith. In the event that a court of competent jurisdiction should order, or if Franchisor in its sole discretion should deem it necessary or advisable, Franchisee shall modify or discontinue use of any Mark. Franchisee shall comply with Franchisor's directions regarding any such Mark within thirty (30) days after receipt of notice from Franchisor or, if such modification or discontinuance is court-ordered, immediately. Franchisor shall not be obligated to compensate Franchisee for any costs or expenses incurred by Franchisee in connection with any such modification or discontinuance. Franchisee shall also use such additional or substitute Marks as Franchisor shall direct.

(e) Changes in Law Affecting Marks. In the event that the trademark law is amended so as to render inapplicable any of the provisions of this Agreement, Franchisee shall sign any documents and do such other act and thing as in the opinion of Franchisor may be necessary to effect the intent and purpose of the provisions of this Agreement.

(f) Copyrights. Franchisee acknowledges that as between Franchisee and Franchisor, any and all present or future copyrights relating to the System or CARE WITH LOVE concept, including, but not limited to, the Brand Standards Manual, electronic code, software, equipment and specifications, and marketing materials, belong solely and exclusively to Franchisor. Franchisee acknowledges that as between Franchisee and Franchisor, any and all present or future patents relating to the System or CARE WITH LOVE concept belong solely and exclusively to Franchisor. Franchisee has no interest in Franchisor's copyrights or patents beyond the nonexclusive License granted in this Agreement.

(g) Ideas and Innovations. All concepts, inventions, ideas, applications, trademarks, service marks, enhancements, modifications, improvements or other processes, methods and designs, technologies, computer software, electronic code, original works or authorship, formulas, patents, copyrights, marketing and business plans and ideas, and all improvements and enhancements thereto that Franchisee or any of its Owners, guarantors, directors, officers, or employees may develop, invent, discover, conceive or originate, alone or in conjunction with any other person or persons during the Term that relate in any way, either directly or indirectly, to the Franchised Business and/or the System (collectively referred to as "Inventions and Ideas"), either in whole or in part during the Term, shall be the exclusive property of Franchisor. Franchisee must promptly disclose the existence of any and all Inventions and Ideas to Franchisor. To the extent any Inventions or Ideas does not qualify as a "work for hire" for Franchisor, Franchisee or any of its Owners, guarantors, directors, officers, or employees hereby assign to Franchisor, without

compensation, all right, title and interest in such Inventions and Ideas, and agree that they will execute any and all instruments and do any and all acts necessary or desirable to establish and perfect in Franchisor the entire right, title and interest in such Inventions and Ideas. Franchisor may incorporate such Inventions or Ideas into the System. As Franchisor may reasonably request, Franchisee shall, at Franchisor's expense, take all actions reasonably necessary to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

(h) **Client and Other Data**. Franchisee shall maintain a current list of the names, home addresses, work addresses, e-mail addresses and telephone numbers of the customers and past customers who have provided such information to the Franchised Business ("Customer List"). Franchisee shall provide the Customer List to the Franchisor upon request. Franchisee shall also use the Technology that Franchisor designates to create, store, maintain, and share the Customer List. The Customer List shall be the property of Franchisor and Franchisor shall have the right to use the Customer List for any purposes, in Franchisor's sole discretion. Franchisee shall not collect, use, process, store, share, or sell any information from the Customer List to or with any person or entity other than Franchisor without the express written consent of Franchisor. Franchisee shall not delete any information that is in the Customer List without Franchisor's prior written consent or unless doing so is in accordance with the Data Protection and Security Policies. Likewise, other data collected by Franchisee or Franchisee's Technology in connection with the Franchised Business (Customer List and the other data collectively referred to herein as "Franchised Business Data") is deemed to be owned by Franchisor, and Franchisee agrees to furnish the Franchised Business Data to Franchisor at any time that Franchisor requests it. Franchisee shall also use the Technology that Franchisor designates to create, store, maintain, and share the Franchised Business Data. Franchisor hereby grants Franchisee a limited license to use Franchised Business Data while this Agreement or a successor franchise agreement is in effect, but only in accordance with the standards, specifications, procedures, and policies that Franchisor establishes periodically and applicable law. Upon termination, non-renewal, transfer, or expiration of this Agreement for any reason, Franchisor shall be the exclusive owner of Franchised Business Data and Franchisee shall not use or disclose the Franchised Business Data in any form or manner. Franchisee shall not be due any compensation based upon Franchisor's use of the Franchised Business Data. Franchisee may not collect, sell, disclose, share, transfer, or use Franchised Business Data for any purpose other than operating the Franchised Business. The Customer List and Franchised Business Data are expressly subject to the provisions of Section 11(r) and may constitute Personal Information.

(i) **Artificial Intelligence Prohibition**. Franchisee is expressly prohibited from utilizing any form of artificial intelligence (AI) technology in the operation, management, or marketing of the Franchised Business without the express approval of Franchisor. This includes, but is not limited to, AI-driven customer service, data analysis, image generation, text generation, code generation, sound generation, and decision-making tools. Any breach of this provision will be considered a material violation of this Agreement.

(j) **Indemnification With Respect to Use of the Marks**. Provided Franchisee complies at all times with this Section 7, Franchisor shall indemnify Franchisee against and reimburse Franchisee for damages assessed against Franchisee, if any, based on Franchisee's use

of the Marks. Otherwise, Franchisor shall not be required to indemnify Franchisee against or reimburse Franchisee for any loss or damages arising out of Franchisee's use or misuse of any Mark. Franchisor shall not indemnify Franchisee for any use or misuse of Franchisor's copyrights, patents, Client Lists, or indicia.

8. Advertising.

(a) Contributions and Expenditures. Recognizing the value of advertising and the importance of the standardization of advertising to the furtherance of the goodwill and public image of the System, Franchisor and Franchisee agree as follows:

(i) Bi-Weekly Contributions and Expenditures. Each bi-weekly period during the Term for which a brand development fund ("Brand Fund") has been established, Franchisee shall contribute to the Brand Fund a non-refundable amount equal to One Percent (1%) of Gross Revenues, which amount may be increased as set forth in Section 8(a)(ii). Franchisor has the sole discretion to settle or forgive any accrued and unpaid Brand Fund contributions owed by any franchisee. Franchisee shall make its non-refundable contribution to the Brand Fund on the date and in the manner as Franchisor may designate from time to time. Franchisee agrees to make such contributions by EFT or in such other manner as the Franchisor may require on the Due Date that Franchisor may designate from time to time.

(ii) Increases in Contributions. The Franchisor may increase the required contribution to the Brand Fund to no greater than two percent (2%) of Gross Revenues.

(iii) Brand Fund.

(1) Use. Franchisor has the sole discretion to determine how and where the non-refundable Brand Fund contributions are spent to promote, enhance, or further the growth of the System, the businesses, and the brand, on a system-wide, regional, and/or local basis. Uses of the Brand Fund include but are not limited to (1) research; (2) promotional marketing, public relationships and advertising expenses; (3) hiring marketing, public relations, and advertising agencies, or technology companies, or paying the salaries of in-house personnel to assist in developing the CARE WITH LOVE brand name; (4) developing, evaluating, or using technologies that Franchisor believes may benefit the brand, the clients, the franchisees, or the brand's reputation, including, without limitation, developing, implementing, operating, and maintaining an intranet and/or extranet; (5) expenses associated with listings in online directories, digital marketing content, influencer marketing, radio, billboard, TV, print, direct mail, or internet advertising, and events and promotions designed to garner media attention and promote the brand name; (6) expenses associated with conducting market research; (7) travel expenses in connection with promotions and marketing meetings, training, development of trademarks and trademarked materials; (8) production of marketing, public relations, digital, or social media content, including but not limited to advertisements, coupons, and promotional materials (including point of purchase

materials); (9) technology development and enhancements for the brand; (10) expenses incurred in developing and maintaining non-franchise sales portions of any Online Presence, social media pages, SEO software or services, and technology development and services for the brand; (11) expenses incurred in using search engine optimization, pay per click advertising, or other digital marketing software, services or companies to help promote the brand; (12) developing and implementing centralized billing, booking, scheduling, and calling systems; (13) the purchase of customer lists, leads, and other assets from an existing, competitive business, including the payment of all costs and fees (including attorney's fees) incurred in connection with such purchase; (14) the cost of developing and/or maintaining promotional programs; (15) maintaining quality of customer service and brand confidence; and (16) for any other use Franchisor determines in its sole discretion. Sums paid by Franchisee shall not be used to defray Franchisor's general operating expenses, except for reasonable administrative costs and overhead incurred in connection with the administration or direction of the Brand Fund and promotion and advertising programs for franchisees, the CARE WITH LOVE brand, and the System, including personnel costs associated with creating and implementing Brand Fund-funded programs, indirect costs, and costs incurred in collecting Brand Fund contributions (including attorneys', auditors', and accountants' fees). Franchisor may reimburse itself from the Brand Fund, on a quarterly or other periodic basis, for such administrative costs and overhead. While Franchisor does not anticipate that Brand Fund contributions will be used for advertising that is principally a solicitation for franchisees, Franchisor reserves the right to use the Brand Fund for public relations or recognition of the CARE WITH LOVE brand, for the creation and maintenance of an Online Presence, a portion of which may be used to explain the franchise offering and solicit prospective franchisees, and to include a notation in advertising indicating "Franchises Available."

(2) **Administration.** The Brand Fund is not and shall not be an asset of Franchisor or its designee. The Brand Fund is administered by Franchisor's accounting and marketing personnel under Franchisor's direction. Franchisor and Franchisor's personnel shall have sole judgment over creative concepts, advertising and marketing materials, media used, placement, allocation, and the composition of all geographic and market areas in which advertising, marketing, or promotional activities are implemented. The Brand Fund is not audited. Franchisor has no obligation to provide Franchisee with an accounting. At Franchisor's option, Franchisor can create a separate entity to be the recipient of Franchisee's Brand Fund contributions and Franchisee agrees, upon Franchisor's request, to tender Brand Fund payments to said entity. Franchisor, in Franchisor's sole discretion, may spend in any fiscal year an amount greater or less than the aggregate contributions to the Brand Fund in that year, and the Brand Fund may borrow from Franchisor or other lenders to cover deficits of the Brand Fund or cause the Brand Fund to invest any surplus. Franchisee acknowledges that other franchisees may not be required to contribute to the Brand Fund or may be required to contribute at

a different rate. Franchisor is not obligated to maintain the Brand Fund contributions or income earned in a separate account from other Franchisor funds.

(3) **Non-Variable Payment Option**. For administrative convenience and at Franchisor's option, in lieu of collecting the Brand Fund percentage designated in Section 8(a)(i), Franchisor, at its option, may designate an amount certain as a weekly payment, which will be drafted instead of the variable amount. Franchisor will use commercially reasonable efforts to have the amount certain reasonably relate to the anticipated annual Brand Fund contribution which would otherwise be due if the exact percentage were calculated. Upon delivery by thirty (30) days' prior written notice by Franchisee to Franchisor, Franchisee can thereafter elect to abandon the sum certain contribution in lieu of the Brand Fund contribution percentage designated in Section 8(a)(i).

(4) **No Proportionality.** Franchisee agrees and acknowledges that Franchisor does not undertake any obligation to ensure that expenditures from the Brand Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Brand Fund by franchisees operating in such geographic area or that Franchisee or the Franchised Business will benefit directly or in proportion to its contribution to the Brand Fund.

(5) **Liability.** Neither Franchisor and its affiliates nor any of their respective officers, directors, agents or employees, shall be liable to Franchisee with respect to the maintenance, direction or administration of the Brand Fund, including without limitation, with respect to contributions, expenditures, investments or borrowing, except for acts constituting willful misconduct. THE BRAND FUND IS NOT A TRUST FUND. FRANCHISOR SHALL HAVE NO FIDUCIARY DUTY TO FRANCHISEE IN CONNECTION WITH THE COLLECTION OR USE OF THE BRAND FUND MONIES OR ANY ASPECT OF THE OPERATION OF THE BRAND FUND. FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR WILL HAVE NO LIABILITY TO FRANCHISEE FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED TO THE BRAND FUND OR ANY ADVERTISING PROGRAMS OR FRANCHISOR'S MODIFICATION OR DISCONTINUANCE FOR ANY REASON OF THE BRAND FUND OR ANY MARKETING, BRANDING, OR ADVERTISING PROGRAMS, OR FRANCHISEE'S PARTICIPATION THEREIN.

(6) **Advertising Expenditures and Allocation Adjustments.** To the extent that all advertising expenditures under Section 8(a) (Brand Fund contributions), Section 8(b) (Cooperative contributions), and Section 8(c) (local advertising expenditures) continue to be expressed as a percentage of Gross Revenues, the aggregate amount that Franchisor may require Franchisee to spend to advertise, market, and promote the Franchised Business during the Initial Term will generally not exceed seven percent (7%) of Gross Revenues per month. The

exception occurs in the two months each year in which Brand Fund contributions are effectively made three times due to their biweekly schedule under Section 8(a)(i); in those months, the aggregate amount Franchisor may require Franchisee to spend may be up to nine percent (9%) of Gross Revenues per month. Franchisor has the right as it deems best, upon notice to Franchisee, to adjust (i.e., increase or decrease) the percentages among these three required categories of advertising expenditures at any time and from to time during the Initial Term within the applicable seven percent (7%) or nine percent (9%) cap . In other words, Franchisor has the right, for example, to increase Franchisee's required Brand Fund contribution up to seven percent (7%) or nine percent (9%), as applicable, of the Franchised Businesses' Monthly Gross Revenues as long as Franchisor concurrently and proportionally reduces Franchisee's required Cooperative contributions and local advertising expenditures under Section 8(b) and Section 8(c). At Franchisor's request, Franchisee agrees to send Franchisor, in the manner Franchisor prescribes (including with receipts), an accounting of Franchisee's expenditures for advertising and promotion.

(b) **Regional Cooperative Advertising.** Franchisee agrees that Franchisor shall have the right, in its sole discretion, to designate from time to time a geographical area in which the Franchised Business is located for the purpose of establishing an advertising cooperative ("Cooperative"). If a Cooperative has been established applicable to the Franchised Business at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Cooperative. If a Cooperative applicable to the Franchised Business is established at any later time during the Initial Term, Franchisee shall become a member of such Cooperative no later than thirty (30) days after the date on which the Cooperative commences operation. In no event shall the Franchised Business be required to contribute to more than one Cooperative. Franchisor has the sole discretion to create, change, dissolve, or merge a Cooperative. Franchisor also has the sole discretion to determine membership of a Cooperative.

The following provisions shall apply to each Cooperative:

(i) Each Cooperative shall be organized and governed in a form and manner, and shall commence operation on a date, approved in advance by Franchisor in writing.

(ii) Each Cooperative shall be organized for the purposes of producing and conducting general advertising programs and activities for use in and around the applicable geographic area and developing standardized promotional materials for use by the members.

(iii) No advertising programs or materials may be used by the Cooperative or furnished to its members, and no advertising or promotional activities may be conducted by the Cooperative, without the prior written approval of Franchisor. All such programs, materials and planned activities shall be submitted to Franchisor for approval in accordance with the procedure set forth in Section 8(f).

(iv) Members of the Cooperative shall make contributions to the Cooperative in

such amounts as are determined by the governing body of the Cooperative. Each member of the Cooperative shall make contributions to the Cooperative on the same basis as the other members, whether owned by Franchisee, another franchisee, Franchisor, or Franchisor's affiliates. In no event shall members be required to contribute more than Two Percent (2%) of Gross Revenues per month.

(v) Franchisee shall make its contributions to the Cooperative on the date and in the manner designated by the Cooperative. Franchisee shall also submit such statements and reports as may be designated from time to time by the Cooperative. The Cooperative shall submit to Franchisor such statements and reports as Franchisor may designate from time to time. The Cooperative shall prepare written governing documents that shall be available to Franchisee and Franchisor for review. These written governing documents are subject to Franchisor's approval. The Cooperative is responsible for determining its own voting procedures; however, each CARE WITH LOVE business that is a member of the Cooperative is entitled to one vote. The Cooperative must prepare quarterly and annual financial statements and these statements must be made available to all members in the Cooperative. The members of the Cooperative and their governing body are responsible for administering the Cooperative.

(vi) Notwithstanding the foregoing to the contrary, Franchisor, in its sole discretion, may grant to any CARE WITH LOVE business an exemption from the requirement of membership in a Cooperative. Such an exemption may be for any length of time and may apply to one (1) or more businesses owned by the exempted party.

(vii) The Cooperative is not a trust fund. Franchisor and its affiliates shall have no fiduciary duty to Franchisee in connection with the collection or use of the Cooperative monies or any aspect of the operation of any Cooperative.

(c) **Local Advertising.** Franchisee shall spend at least one percent (1%) of its Gross Revenues on local advertising and promotions, in accordance with the Brand Standards Manual; provided however, all such local advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(f). If Franchisee fails to spend the required amount on local advertising, Franchisee must pay to the Brand Fund the amount Franchisee is required to spend on local advertising, less the amount Franchisee actually spent on local advertising that period.

(d) **Supplemental Advertising.** Franchisee shall have the right to conduct, at its separate expense, supplemental advertising in addition to the expenditures specified in this Section 8. All such supplemental advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(f).

(e) **Directory Advertising.** Franchisee shall arrange for the listing of the Franchised Business's telephone number and email address in any print or online directory designated by Franchisor under the name "CARE WITH LOVE" or such other name as the Franchisor may designate. All advertising and promotion in such media (beyond a simple listing of name, address,

and telephone number) shall be subject to Franchisor's approval. Franchisor has the right to arrange for directory listings for franchisees operating Franchised Businesses under the System and, at Franchisee's expense, for Franchisee; in which case Franchisee shall pay Franchisor as Franchisor may designate. Franchisee's rights to use and benefit from its assigned telephone number, email address, and directory listings are subject to the provisions of Section 18 of this Agreement.

(f) Approval by Franchisor. Any and all advertising and promotional materials Franchisee uses, which may include, without limitation, newspaper, radio and digital advertisements, signs, billboards, appearances by public figures, flyers, coupons, and promotional merchandise in the form of watches, T-shirts, caps, buttons and similar items, must be approved by Franchisor. Prior to their use by any Cooperative or by Franchisee, all advertising and promotional materials not prepared or previously approved by Franchisor within the ninety-day (90) period preceding their intended use shall be submitted to Franchisor for approval. If approval is not received within twenty (20) days from the date of receipt by Franchisor of such materials, the materials shall be deemed disapproved by Franchisor. Franchisor may disapprove of any advertising or promotional materials at any time. Neither any Cooperative nor Franchisee shall use any disapproved advertising or promotional materials regardless of whether any such items had been previously approved by Franchisor. Franchisor reserves the right to request that Franchisee resubmit any previously-accepted advertising or promotional materials, at which time Franchisor may reinspect such material and consent to its continued use or withhold consent. As provided in Section 15, all advertising, marketing, and promotional materials created by Franchisee or its advertising agencies will be deemed to be Confidential Information and Franchisor's sole and exclusive property, which Franchisor may use and allow other franchisees to use however it deems best. Franchisee will take all action (and/or will cause its advertising agency to take all action) necessary to confirm Franchisor's ownership of all copyrights in the programs and advertising without any required payment by Franchisor. For example, Franchisee agrees to ensure that its contracts with advertising and other agencies state that Franchisor will, without any separate payment required, own all materials related to the CARE WITH LOVE System prepared by such agencies and that such materials will be deemed to be works made-for-hire for Franchisor. Franchisee also is not entitled to any compensation from Franchisor for such materials.

(g) Franchisor Advertising. Franchisor may, from time to time, expend its own funds to produce such promotional materials and conduct such advertising as it deems necessary or desirable. In any advertising conducted solely by or for Franchisor, Franchisor shall have the sole discretion to determine the products and geographical markets to be included, and the medium employed and Franchisor shall not have any duty or obligation to supply Franchisee with any advertising or promotional materials produced by or for Franchisor at its sole expense. Franchisor may, from time to time, offer to provide to Franchisee such approved advertising and promotional plans and materials as Franchisor deems advisable. Franchisor expressly disclaims and Franchisee hereby acknowledges that Franchisee has not received or relied upon any warranty regarding the success of any advertising and/or promotional plans or materials recommended by Franchisor for use by Franchisee. Further, Franchisee acknowledges and agrees that all advertising and promotional plans and materials created in whole or in part by Franchisor are and remain the exclusive property of Franchisor. Franchisor shall have the right to include promotion of available

franchises in all marketing and advertising materials, including, but not limited to, signage in Franchised Business, websites, print media, and TV or radio spots.

(h) **Ownership of Advertising.** Franchisor shall be the sole and exclusive owner of all materials and rights which result from advertising and marketing program produced and conducted, whether by Franchisee, Franchisor, a Cooperative or the Brand Fund and there shall be no restriction on Franchisor's use or dissemination of such materials. Any participation by Franchisee in any advertising, whether by monetary contribution or otherwise, shall not vest Franchisee with any rights in the Marks employed in such advertising or in any tangible or intangible materials or rights, including, copyrights, generated by such advertising. If requested by Franchisor, Franchisee shall assign to Franchisor any contractual rights or copyright it acquires in any advertising.

(i) **Online Presence and Email Address.**

(i) **Definition.** An "Online Presence" includes (1) a Website (defined below), a Franchise System Website (defined below), other webpages, URLs, or domain names, (2) accounts, pages, or profiles on social media sites, social networking sites, news sites and groups, online, internet, or digital directories, video, audio, photography, and messaging services, blogs, or forums, (3) e-commerce sites or accounts, (4) digital or online advertising and marketing content and services, (5) mobile applications, (6) virtual reality platforms, (7) identifiers of any Online Presence, or (8) a presence on any other type of online, internet, or digital tool, good, or service that may be developed.

(ii) **Establishing an Online Presence.** Franchisee will not, directly or indirectly, establish or operate an Online Presence that in any way concerns, discusses or alludes to the Franchisor, the System or the Franchisee's Franchised Business without Franchisor's written consent, which Franchisor is not obligated to provide. If approved to establish an Online Presence or email address, Franchisee shall comply with Franchisor's standards and specifications with respect to the creation, maintenance and content of any such Online Presence or email address. The Marks may not be used as part of, in conjunction with, to establish or to operate any Online Presence or email address, unless specifically approved by the Franchisor, which approval Franchisor is not obligated to provide. Franchisor shall have the right to modify the provisions of this Section 8(i) relating to any Online Presence as Franchisor shall solely determine is necessary or appropriate. Franchisor alone has the right, but not the obligation, to establish, maintain, modify or discontinue all internet and electronic commerce activities pertaining to the System, including through any Online Presence. Franchisor shall not be liable for downtime that may occur to any such Online Presence or email address, whether such downtime is caused by Franchisor or a third-party. Franchisor shall have the right, but not the obligation, to designate one or more webpage(s) or other form of Online Presence to describe Franchisee and/or the Franchised Businesses, with such webpage(s) or Online Presence to be located within Franchisor's website or another Online Presence. Franchisee shall comply with Franchisor's standards, specifications, policies with respect to the creation, maintenance and content of any such web page(s) and any other Online Presence

and email addresses; and Franchisor shall have the right to refuse to post and/or discontinue posing any content and/or the operation of any webpage or Online Presence.

(iii) **Guidelines.** Franchisee will not post, and will take such steps as necessary to ensure that its employees do not post, any information to an Online Presence relating to the Franchisor, the System, the Marks, or the Franchised Business that (a) does not comply with the Franchisor's then-current brand, social media, or Online Presence guidelines described in the Brand Standards Manual, (b) is derogatory, disparaging, or critical of the Franchisor, the System or the Marks, (c) is offensive, inflammatory or indecent, or (d) harms the goodwill and/or public image of the System and/or the Marks. Franchisee shall not establish or permit or aid anyone else to establish any links to any Online Presence which Franchisor may create. Franchisee shall not use the Marks or any abbreviation or other name associated with Franchisor and/or the System as part of any Online Presence or email address of Franchisee, except as permitted by Franchisor's then-current policies. Franchisee specifically acknowledges and agrees that any Online Presence will be deemed "advertising" under this Agreement and will be subject to (among other things) Franchisor's approval under this Agreement. Franchisor shall have the right, but not the obligation, to monitor and review all Online Presence of Franchisee at any time. Franchisor has the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of Franchisor's standards, specifications, or policies, including, without limitation, requiring Franchisee to modify or remove such content or post or, if Franchisee fails to do so promptly, removing such content or post directly, without liability to Franchisee. Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without Franchisor's prior written consent as to Franchisee's plan for transmitting such advertisements.

(iv) **Ownership**. Franchisor alone will be, and at all times remain, the sole owner of the copyrights to all material which appears on any Online Presence, including any and all materials Franchisee may furnish to Franchisor for use on an Online Presence. Ownership of all URLs and other identifiers with any such Online Presence shall vest exclusively in Franchisor. Any Online Presence or email address that Franchisee is approved to create or use shall be owned by Franchisor and Franchisee shall sign all agreements and documents Franchisor deems necessary to evidence this. Franchisor has the right to require that any Online Presence or email address Franchisee is permitted to create, use, or maintain be registered in Franchisor's name. Upon request, Franchisee must provide Franchisor with any login credentials for any Online Presence or email address Franchisee is authorized to create, use, or maintain. If for any reason Franchisee gains any interest in an Online Presence for the Franchised Business, Franchisee can require Franchisee to assign it to Franchisor upon thirty (30) days notice.

(j) **Franchise System Website.** A "Website" is defined as an interactive electronic document contained in a network of computers linked by communications software, including the Internet and World Wide Web Home Pages. At Franchisor's request, Franchisee agrees to participate, in the manner Franchisor specifies, in any Website Franchisor has established for the CARE WITH LOVE System. Franchisor and its affiliates may establish one of more websites (i)

to advertise, market, and promote CARE WITH LOVE businesses, their products and services, the System, and/or the CARE WITH LOVE franchise opportunity, and (ii) for any other purposes Franchisor considers appropriate or necessary for the CARE WITH LOVE System or other business activities in which Franchisor engages (each a "Franchise System Website"). If Franchisor establishes a Franchise System Website, it may provide Franchisee with a separate interior webpage (accessible only through the Franchise System Website) referencing Franchisee's Franchised Business and/or otherwise allow Franchisee to participate in the Franchise System Website. The purpose of the Franchise System Website is solely to promote the Franchised Business and to provide customers information related to the Franchised Business. The Franchise System Website may not contain content which references any other business other than the Franchised Business. Franchisee must give Franchisor the information and materials Franchisor requests for Franchisee to participate in the Franchise System Website. By giving Franchisor the information and materials, Franchisee represents they are accurate and not misleading and do not infringe another party's rights. Franchisor will own all intellectual property and other rights in the Franchise System Website, Franchisee's webpage, and all information they contain (including, without limitation, the log of "hits" by visitors and any personal or business data that visitors supply). Franchisor will control, and may use Brand Fund contributions to develop, maintain, operate, update, and market, the Franchise System Website, including Franchisee's webpage (if any). Franchisor will update the information on Franchisee's webpage, if any, or add information Franchisor approves as frequently as it deems appropriate. Franchisee must notify Franchisor whenever any information on its webpage changes or is not accurate. Franchisor has final approval rights over all information on the Franchise System Website, including Franchisee's webpage, if any. Franchisor may implement and periodically modify standards and specifications for the Franchise System Website. Franchisor will maintain Franchisee's webpage, if any, and otherwise allow Franchisee to participate in the Franchise System Website only while Franchisee is in substantial compliance with this Agreement and all system standards and specifications (including those for the Franchise System Website). If Franchisee is in material default of any obligation under this Agreement or Franchisor's standards and specifications, Franchisor may, in addition to its other remedies, temporarily suspend Franchisee's participation in the Franchise System Website until Franchisee fully cures the default. Franchisor will permanently terminate Franchisee's access to and participation in the Franchise System Website upon this Agreement's expiration, termination, or non-renewal. All marketing and other materials Franchisee develops for the Franchised Business must contain notices of the Franchise System Website's domain name(s) in the manner Franchisor designates. Franchisee may not develop, maintain, link to, or authorize any other Website mentioning or describing Franchisee or the Franchised Business or displaying any of the Marks.

9. Personal Care Services.

(a) <u>No Authorization for Skilled Care</u>. Franchisee is not authorized to provide Skilled Care. Neither the Franchised Business nor its employees, agents, and independent contractors shall provide Skilled Care. "Skilled Care" means any type of care requiring a health care or medical related license, including care provided by licensed home health aides, licensed practical nurses, licensed vocational nurses, or registered nurses.

(b) <u>Personal Care License</u>. Franchisee shall obtain all licenses, permits, accreditations, and all other authorizations necessary to provide the non-medical, personal care

services at clients' homes ("Personal Care License"). If Franchisee's jurisdiction requires a Personal Care License, Franchisee shall submit the application within thirty (30) days of executing this Agreement. Franchisee shall maintain the Personal Care License throughout the Term and shall be responsible for obtaining any additional Personal Care Licenses that may become required or expedient during the Term. If Franchisee's employees, independent contractors, or agents require Personal Care Licenses, Franchisee shall ensure each obtains and maintains the required Personal Care License at all times during that person's involvement with the Franchised Business. Franchisee is solely responsible and liable for compliance of the Franchised Business with all applicable legal requirements in connection with the implementation, development, and operation of the Franchised Business, including any licensing requirements. Franchisee is solely responsible for determining and, if required, for hiring all positions that may be required to operate the Franchised Business in compliance with federal, state, and local law and with the standards for the Personal Care License

(c) **Additional Credentials**. Franchisor reserves the right to require Franchisee to obtain additional accreditation, certificates, or authorization as Franchisor may from time to time designate in its Brand Standards Manual.

(d) **Health Care Laws**. Franchisee is solely responsible for determining if Franchisee is subject to the provisions of state or federal health care laws, rules, and regulations and for complying with them, including the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and Title XIII of the American Recovery and Reinvestment Act of 2009 ("HITECH ACT") . If Franchisee determines it is a "covered entity" under HIPAA, Franchisee is required to comply with the HIPAA in the collection, storage, use, and disclosure of "Protected Health Information" ("PHI") as defined by HIPAA, which may include the Client List and other client data, and Franchisee shall also execute Franchisor's form of Business Associate Agreement, a form of which is attached as Attachment 6 to this Agreement.

(e) **Client Contracts.** In the marketing and operation of the Franchised Business, Franchisee is required to use only the client contracts, waivers, and/or other forms designated by Franchisor from time to time, except where Franchisor does not designate such items. Franchisor may provide Franchisee with templates or sample forms of such items, but it is Franchisee's responsibility to have all items which are to be used with prospective and/or actual client reviewed, at Franchisee's expense, by an attorney licensed to practice law in the state(s) where the Franchised Business is operated, for compliance with all applicable state and local legal requirements. Franchisor makes no warranty or representation that any contracts, waivers and/or other forms and/or materials, whether supplied by Franchisor or otherwise, are in compliance with the laws of any particular state(s) or locality.

(f) **Payors**. Unless otherwise designated by Franchisor, Franchisee may only accept cash, credit card, or private long-term care insurance as payment for the goods and services offered at the Franchised Business. Franchisee shall not accept other forms of commercial insurance or to participate in any governmental payor program, Franchisee will be solely responsible for complying with all laws, rules, regulations, and conditions for accepting payment in certain forms or from certain payors.

10. National Accounts.

(a) At Franchisor's option and not obligation, Franchisor may enter into agreements with third parties to provide services to customers with multiple locations, whether those locations are all within Franchisee's Territory or not ("National Account"). If Franchisee elects to service National Account customers, it shall do so at the prices Franchisor establishes and under the terms Franchisor requires. Franchisor reserves the right to manage all billing of National Account customers and Franchisee shall comply with Franchisor's billing requirements. Franchisor and its affiliates may solicit prospective National Account customers in Franchisee's Territory, whether or not Franchisee currently provides services to them. Franchisee shall comply with Franchisor's standards and requirements for providing services and products to National Account customers, which standards and requirements may be specific to each National Account customer.

(b) Franchisee agrees and acknowledges that Franchisor will negotiate the pricing for National Accounts and that such negotiations may result in discounted prices and higher volumes. Pricing for National Accounts may result in less revenue for Franchisees than if Franchisee were servicing the National Account customer independently. Franchisee acknowledges and agrees that Franchisor may set discounts, commissions, price structures, and performance and maintenance standards for National Accounts.

(c) If (1) Franchisee declines to service a National Account customer (2) Franchisee fails to service the National Account customer in accordance with Franchisor's standards, (3) Franchisor reasonably determines that Franchisee is not able to reliably service the National Account customer, or (4) the National Account customer requests that Franchisee not fulfill the service order, Franchisor may designate another party to service the National Account customer in the Territory from that time on without paying any compensation to Franchisee. Such designated parties could be Franchisor, Franchisor's affiliates, other franchisees, or another third party. Failing to service National Account customers according to the terms of this Agreement, the Brand Standards Manual, and/or the terms of the contract with the National Account customer is a default under this Agreement. Neither Franchisor nor any of its designated parties will be liable for or obligated to pay Franchisee any compensation for providing such services and neither Franchisor nor any of its designated parties will be considered in breach of any provision of this Agreement or any other agreement between the parties. Franchisor shall not be liable to Franchisee for the National Account services performed within Franchisee's territory pursuant to the terms of this Section 10(c).

11. Operations, Standards of Quality, Inspections.

(a) **Brand Standards Manual.** Franchisor will provide Franchisee with one (1) or more Brand Standards Manual, policy and procedure statements, or other written notice of standards and specifications which shall contain (i) the mandatory and suggested specifications, standards and operating procedures prescribed from time to time by Franchisor and (ii) information relative to other obligations of Franchisee hereunder and the operation of the Franchised Business (collectively the "Brand Standards Manual"). For purposes of this Agreement "Brand Standards Manual" also includes separate manuals and alternative or supplemental communications of the Franchisor such as by bulletins, emails, video, audio, and other electronic or print methods. At

Franchisor's option, Franchisor may post the Brand Standards Manual on a website, extranet, or intranet. If Franchisor does so, Franchisee agrees to monitor and access the website, extranet, or intranet as Franchisor specifies for any updates to the Brand Standards Manual or Franchisor's standards, specifications and procedures. Any passwords or other digital identification necessary to access the Brand Standards Manual on the website, extranet, or intranet will be deemed to be part of Confidential Information. Franchisee acknowledges the Brand Standards Manual is designed to protect Franchisor's Marks, brand image, goodwill and standards and systems, and is not to control the day to day operation of the Franchised Business. The Brand Standards Manual shall at all times remain the sole property of Franchisor and shall promptly be returned to Franchisor upon the expiration, non-renewal, or other termination of this Agreement for any reason. Franchisor may, from time to time, revise the contents of the Brand Standards Manual. To the extent that Franchisor shall deem it necessary or appropriate, Franchisor will provide Franchisee with policy and procedure statements or other written notice of specifications standards and procedures, policies, and other standards and specifications contained in the Brand Standards Manual, policy and procedure statements and other written notices as issued from time to time by Franchisor. Franchisee acknowledges and agrees that all information in the Brand Standards Manual, policy and procedure statements and other notices constitute confidential information and trade secrets, and shall not be disclosed at any time by Franchisee. Franchisee shall not copy, disclose, duplicate, record or otherwise reproduce, in whole or in part, for whatever reason, the Brand Standards Manual or any other communication or information provided by Franchisor. Franchisor shall have the right to modify the policies and procedures of the Brand Standards Manual at any time, which modifications shall be binding upon Franchisee. Franchisor reserves the right to charge Franchisee a fee if Franchisee requests or needs a replacement Brand Standards Manual.

(b) **Compliance with Specifications and Procedures.** Franchisee acknowledges that the Brand Standards Manual are designed to protect Franchisor's Marks, brand image, goodwill, and standards and systems, and not to control the day-to-day operation of the business. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all mandatory standards, specifications and procedures contained in the Brand Standards Manual, as amended from time to time.

(c) **Compliance with Franchisor's Standards.** Franchisee shall operate the Franchised Business through strict adherence to Franchisor's standards, specifications and policies as they now exist, and as they may from time to time be modified. Such standards and policies include, without limitation: (i) services and products offered; (ii) hours of operation for a Franchised Business; (iii) safety standards; (iv) employee uniform requirements and specifications; and (v) use of specified emblems and Marks on uniforms, vehicles, and other products. Franchisee agrees to follow and to require its employees to follow the instructions of Franchisor as well as Franchisor's employees, agents, and/or Franchisor's area directors or developers. Franchisee understands and agrees that Franchisor may modify the System and any of its components from time to time in its sole discretion. Franchisor shall give Franchisee notice of all changes either by supplements to the Brand Standards Manual, in writing or electronically, or otherwise. Franchisee shall, at its own cost and expense, promptly adopt and use only those parts of the System specified by Franchisor and shall promptly discontinue the use of those parts of the System which Franchisor directs are to be discontinued. Franchisee shall not change, modify

or alter the System in any way, except as Franchisor directs. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all mandatory standards, specifications and procedures contained in the Brand Standards Manual, as amended from time to time. Franchisee recognizes agrees that changes and modifications that Franchisor may make to the System may necessitate that Franchisee make capital expenditures during the Initial Term in amounts that Franchisor cannot forecast. Nothing in this Agreement limits the frequency or cost of future changes to the System that Franchisor may require. Franchisee understands and agrees that Franchisor has no ability to identify with specificity the nature of these future general improvements or their expected cost and accepts the risk that future general improvements may be imposed that will require significant capital expenditures in an amount that is unknown on the Effective Date of this Agreement and that cannot be fully amortized over the period of time then remaining in the Initial Term.

(d) Variations in Standards. Because complete and detailed uniformity under varying conditions may not be possible or practical, Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary standards for the Franchised Business or any other Franchised Business in the Chain based upon peculiarities of particular locations or circumstances, including, but not limited to, density of population and other demographic factors, size of Franchisee's Territory, business practices or customs, or any other condition which Franchisor deems to be of importance to the operation of such Franchised Business or the Chain. Franchisee acknowledges that because of these factor and others, there may be variations from standard specifications and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee. Franchisee understands and agrees that Franchisor has no obligation to waive, make any exceptions to, or permit Franchisee to deviate from, the standards of the System.

(e) Compliance with Laws. Franchisee shall at all times during the Term comply with all laws, ordinances, rules and regulations of all applicable governmental bodies, and pay any and all taxes, assessments, fines and penalties arising out of the operation of the Franchised Business, including state and federal unemployment taxes and sales taxes. Franchises shall comply with all environmental laws applicable to the services provided by the Franchised Business. Franchisee shall obtain and maintain all licenses and permits necessary to operate the Franchised Business. If Franchisee fail to make a tax payment and Franchisor does so on Franchisee's behalf, Franchisee must reimburse Franchisor.

(f) Courtesy, Cooperation, Fair Dealing and Ethical Business Practices. In all dealings with clients, suppliers, Franchisor and others, Franchisee will act according to the highest standards of honesty, integrity, fair dealing and ethical conduct. At all times and under all circumstances, Franchisee and its employees shall treat all clients and other persons, including Franchisor's agents, officers, and employees with the utmost respect and courtesy, and shall fully cooperate with Franchisor and its agents, officers, and employees in all aspects of the franchise relationship. Franchisee will operate Franchisee's business in full compliance with all applicable laws, ordinances and regulations, including all licensing requirements. Franchisee will not engage in any illegal discriminatory practices. Franchisor makes no representations as to what (if any) licenses, permits, authorizations or otherwise will be required in connection with Franchisee's establishment or operation of Franchisee's business. It is Franchisee's sole responsibility to

determine what licenses, permits, authorizations or otherwise are required and to obtain them, all at Franchisee's expense. Franchisee will refrain from any practice which may injure the goodwill associated with the Marks. Franchisee will notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which relates to, or which may affect the operation or financial condition of, Franchisee, Franchisee's business and/or the Marks.

Franchisee agrees to comply and/or assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise. Franchisee agrees to comply and assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities, including, without limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, Franchisee agrees not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to Franchisee's business as may be required by Franchisor or by law. Franchisee confirms that Franchisee is not listed in the Annex to Executive Order 13224 and agrees not to hire any person so listed or have any dealing with a person so listed (the Annex is currently available at http://www.treasury.gov). Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that the Franchisee Indemnifying Parties' indemnification responsibilities as provided in Section 19 of this Agreement pertain to Franchisee's obligations hereunder.

(g) **Franchisee Control**. Franchisee acknowledges that it is responsible for the day-to-day operation of its Franchised Business, including hiring, setting the conditions of employment, supervision, discipline and termination of all personnel, purchases and maintenance of equipment and supplies, preparing Franchisee's own marketing plans and funding and implementing those marketing plans, maintenance of employment records, and daily maintenance, safety, security and the achievement of compliance with the Brand Standards Manual. Franchisor's ability to approve certain matters, to inspect the Franchised Business and its operations and to enforce its rights, exists only to the extent necessary to protect its interest in the System and the Marks. Neither the retention nor the exercise of these rights is for the purpose of establishing any control, or the duty to take control, over those matters that are clearly reserved to Franchisee.

(h) **Training.** It will be solely Franchisee's responsibility to ensure that all new employees and current employees are trained to perform their duties in a proper manner at the Franchised Business and Franchisee shall implement and maintain an employee training program, at Franchisee's expense, pursuant to all specifications, standards and procedures prescribed by Franchisor. Franchisee shall ensure that all employees have all necessary certifications and credentials as required by applicable state laws and licensing regulations, and that all employees must satisfy all continuing educational training requirements as may be specified by applicable laws, regulations. Training by Franchisor will be at reasonable times and subject to availability of Franchisor's representatives. In the event that Franchisor provides training to Franchisee's employees upon Franchisee's request, Franchisee hereby releases, indemnifies and holds harmless Franchisor and its affiliates, agents and employees from all claims, causes of action, expenses,

costs, debts, fees, liabilities and damages of every kind arising out of or related to the training and/or the continuing education of Franchisee's employees as set forth herein. Franchisor reserves the right to assess a training fee or attendance fee for any conferences, conventions, or other training Franchisor or its approved suppliers provide.

(i) **Employment Matters**. Franchisee's employees are not Franchisor's agents or employees and Franchisor is not a joint employer of these individuals. Franchisee has sole responsibility and authority for its administrative functions, labor relations, and employment practices, including, without limitation, wages, benefits, and other compensation; hours of work and scheduling; hiring, promotion, discharge, termination, and discipline; working conditions; workplace health and safety; supervision and assignment; provision of worker's compensation insurance; adjustment of grievances and complaints; and work rules and directions governing the manner, means, or method of work performance. Franchisee acknowledges that it is not economically dependent on Franchisor, and that Franchisor does not engage in any employer-type activities for which only Franchisee is responsible and does not provide facilities, equipment or house or transport Franchisee's employees or provide to Franchisee's employees tools or materials required for Franchisee's employees to perform services for Franchisee. Franchisee shall comply with all employment laws and regulations. Further, at all times, Franchisee shall ensure that Franchisee and Franchisee's employees are in compliance with federal, state, and local tax laws.

(j) **Employer Acknowledgment**. Franchisee must communicate clearly with its employees in employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that Franchisee (and only Franchisee) is their employer and that Franchisor is not their employer or joint employer. Franchisee shall obtain from each of its employees, in a form Franchisor specifies or approves, an acknowledgment signed by such persons providing that such individual understands, acknowledges, and agrees that (i) he or she is an employee of Franchisee and not Franchisor and (ii) he or she shall look solely to Franchisee, and not to Franchisor or its affiliates, agents, or employees, for his or her compensation and for all other employment matters.

(k) **Franchisee Developments.** Franchisor shall be deemed the owner and have the right to use and incorporate into the System for the benefit of other franchisees and Franchisor any modifications, ideas or improvements, in whole or in part, developed or discovered by Franchisee or Franchisee's employees or agents, without any liability or obligation to Franchisee or the developer thereof.

(l) **Business Relations.** Franchisee shall at all times operate the Franchised Business in a financially sound, prudent and business-like manner and, without limiting the generality of the foregoing, pay all its bills and accounts promptly when due and shall take no action, or omit to take any action, the result of which would be to tend to disrupt, damage or jeopardize Franchisee's relationship with suppliers or clients, Franchisor's good reputation, or the good reputation of Franchisor's other franchisees. Franchisee will not engage in any trade practice or other activity which is harmful to the goodwill or reflects unfavorably on the reputation of Franchisee, Franchisor, the Franchised Business, the Marks, the services and/or products sold at the Franchised Business, or constitutes deceptive or unfair competition or otherwise is in violation of any applicable laws.

(m) **Crisis Situations.** Franchisee shall notify Franchisor immediately upon the occurrence of any situation that may have a material impact on the Franchisee, Franchisor, Franchised Business, or which could have a deleterious effect on the CARE WITH LOVE brand, Marks or System. Franchisee shall follow all of Franchisor's policies, procedures, and instructions in every such situation, including, without limitation, managing public relations and communications, as directed by the Franchisor or as specified in the Brand Standards Manual, whether or not Franchisee has retained outside counsel or a public relations firm to assist with such matters. A Crisis includes, but is not limited to, any event that occurs at, with, or about the Premises or vehicles used in the business that has or may cause harm or injury to clients or employees. Examples include, but are not limited to, client abuse, car accidents, contagious diseases, natural disasters, terrorist acts, shootings, or any other circumstance which may damage the System, Marks, or image or reputation of the Franchised Business, the System or Franchisor. Franchisee will cooperate fully with Franchisor with respect to Franchisor's response to the Crisis. In the event of the occurrence of a Crisis, Franchisor may establish emergency procedures which may require Franchisee to temporarily cease to operate the Franchised Business to provide services to clients, in which event Franchisor shall not be liable to Franchisee for any loss or costs, including consequential damages or lost profits occasioned thereby. Franchisor will have the right to take control of the management of communications if Franchisor determines that the publicity surrounding the event is likely to have a material adverse effect on the reputation or goodwill of the Franchised Business, Marks, System, or Franchisor. Franchisee will obtain Franchisor's consent before any press releases, interviews or public statements are issued by Franchisee, or anyone on its behalf, about events that are likely to receive or are receiving significant negative public attention related to the Franchised Business, Marks, System, or Franchisor.

(n) **Change in Marital Status.** All Owners, including any new Owners added during the Initial Term, and their spouses shall sign the personal guaranty, non-compete, non-solicit, and confidentiality agreements. If Franchisee or one of its Owners has a change in marital status, Franchisee shall promptly inform Franchisor of that change and Franchisee agrees that any new spouse will sign Franchisor's form guaranty, and noncompetition and confidentiality agreements.

(o) **Books and Records; Financial Reporting.**

(i) **Books and Records.** Franchisee shall maintain during the Initial and any Renewal Term of this Agreement, and shall preserve for at least five (5) years from the dates of their preparation, and shall make available to Franchisor at Franchisor's request and at Franchisee's expense, full, complete and accurate books, records (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices), and accounts in accordance with generally accepted accounting principles. Franchisee shall maintain such records, unless otherwise authorized by Franchisor, at the Premises. Franchisee agrees at all times to use the chart of accounts, format for financial statements, and accounting procedures established from time to time by Franchisor. Franchisee agrees to grant Franchisor 24/7, unlimited and remote, access to Franchisee's books, records, and accounts that are provided through Technology (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices).

(ii) Submission of Performance Reports. Franchisee shall submit to Franchisor, the following performance reports for review or auditing the following performance reports: (a) Gross Revenues reports and performance reports for the prior month; (b) monthly financial statements, including a balance sheet and income statement; (c) Key Performance Indicators ("KPIs") as required by franchisor from time to time; and (d) such forms, reports, records, information, and data as Franchisor may designate (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices), in the form and at the times and places reasonably required by Franchisor, including without limitation, by electronic telecommunications data transmission methods, upon request and as specified from time to time in the Brand Standards Manual or otherwise in writing. Franchisor may require Franchisee to have a certified public accountant review such statements, reports, and information, the expense of which shall be borne entirely by the Franchisee, and then submit such reviews to the Franchisor. Franchisee also shall immediately notify Franchisor in writing when one (1) or more liens or judgments are filed against the Franchisee, the Franchised Business and/or any of the personal guarantors (if any) under this Agreement.

(iii) Submission of Financial Statements and Tax Returns. Franchisee shall submit, within forty-five (45) days following the close of business of Franchisee's fiscal year, copies of a balance sheet, profit and loss statement and cash flow report prepared and certified by a certified public accountant which cover the previous twelve (12) months of operations of the Franchised Business. The fiscal year of the Franchised Business must coincide with the calendar year. Franchisee also shall submit, within five (5) days of their filing, its federal and state tax returns for each year during the Initial Term and any Renewal Term of this Agreement; provided, however, that if Franchisee is not a corporation or partnership, Franchisee may, at its option, submit only those schedules to its personal tax filings which reflect the revenues and expenses of the Franchised Business.

(iv) Audit of Franchisee's Records. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at Franchisor's expense, the books, records, and tax returns of the Franchised Business and remove copies thereof from the Premises (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices). Franchisor shall also have the right at any time, at Franchisor's expense, to have an independent audit made of the Franchised Business books, records and accounts (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices). If any inspection or audit reveals that an underpayment exists, Franchisee shall immediately pay to Franchisor the amount owing to Franchisor, as determined by the inspection or audit. Upon discovery of an understatement of two percent (2%) or more, in addition to prompt payment of the underreported amount, Franchisee shall reimburse Franchisor for any and all expense connected with such inspections or audits, including but not limited to reasonable accounting and legal fees as well as interest as provided for in Section 3 of this Agreement. Such payments shall be without prejudice to any other remedies Franchisor may have under this Agreement or otherwise at law. If a discrepancy of less than two percent (2%) is revealed, Franchisor will bear the costs of the audit.

(v) **Forms.** Franchisee will use only such forms, including, without limitation, those used in and generated by the required Technology, as are approved by Franchisor in the Brand Standards Manual or otherwise in writing. Franchisee will obtain all forms specified by Franchisor and/or the required Technology, at Franchisee's expense, from suppliers approved by Franchisor. Franchisor may maintain and make available to Franchisee all or a portion of such forms on the intranet system in addition to, or in lieu of, providing hard copies to Franchisee.

(vi) **Fees**. Franchisor reserves the right to charge Franchisee a fee for each required report or other information that is not timely submitted to Franchisor.

(vii) **Accounting Service Provider**. Franchisor has the right to require Franchisee to use an accounting service provider mandated by Franchisor.

(viii) **Initial Investment Report**. Within one hundred twenty (120) days after opening for business, Franchisee shall submit to Franchisor a report detailing Franchisee's investment costs to develop and open the Franchised Business, with costs allocated to the categories described in Item 7 of Franchisor's Franchise Disclosure Document and with such other information as Franchisor may request.

(p) **Technology, Computer, and Scheduling Systems.**

(i) Franchisee, at its expense, shall purchase or lease and thereafter maintain such computer hardware and software, mobile application(s), cloud-based systems and/or software, smartphone(s), tablet, broadband high-speed internet service, active e-mail account, required dedicated telephone and power lines, modem(s) printer(s), point-of-sale systems, robotics, automation, scheduling systems, security systems, management systems, communication systems and other computer-related accessories or peripheral equipment as Franchisor specifies, including, without limitation, any and all equipment, components, and software necessary for Franchisee to participate in Franchisor's promotional, customer loyalty, affinity, or similar programs ("Technology"). Franchisor's requirements for the Technology will be updated from time to time as deemed necessary by Franchisor in accordance with changing technology and industry standards and may include the requirement to purchase or lease new Technology. Franchisee must periodically update, as required by the Franchisor and/or the Technology's manufacturers or vendors, all Technology solely at the Franchisee's expense. Franchisee may be required to license proprietary Technology directly from Franchisor or Franchisor's affiliates. Franchisee may be required to enter into license agreement(s) with Franchisor or other suppliers to provide all or part of the Technology. Franchisee acknowledges and agrees that Franchisor shall have no responsibility under any circumstances for any malfunction or "crash" of any computer, storage, or data system or program provided by or approved by Franchisor, including, but not limited to, for any data lost as a result of such malfunction or "crash." Franchisor shall have unlimited, independent access to all information and data (including the Client List) produced by or otherwise located on any of Franchisee's computer systems or programs.

(ii) Franchisor and its agents shall have the right to access all information related to the operation of the Franchised Business (other than Franchisee's employee records, as Franchisee controls exclusively its labor relations and employment practices) that is accessed or stored on the Technology, computer, or wireless system, whether in-person or from a remote location, without the need for Franchisee' s consent, at the times and in the manner prescribed by Franchisor, which may be unlimited, remote, 24/7 access if required by Franchisor. If required, Franchisee shall provide such assistance as may be required to connect its Technology with Franchisor's computer or wireless system. Franchisee shall provide Franchisor with all required passwords or login credentials to access the Technology. Franchisor shall thereafter have the right from time to time and at any time to retrieve and use for any purpose such data and information (other than Franchisee's employee records and data, as Franchisee controls exclusively its labor relations and employment practices) from Franchisee's Technology, or from any third party or Franchisor-provided Technology as Franchisor, in its sole and exclusive discretion, deems necessary or desirable. In view of the contemplated interconnection of Technology and the necessity that such systems be compatible with each other, Franchisee expressly agrees that it will strictly comply with Franchisor's standards and specifications for all item(s) associated with Franchisee's Technology. Franchisor shall have no liability to Franchisee as a result of Franchisor access or failing to access the Technology.

(iii) Franchisee will secure and maintain separate business telephone lines for telephone, email and facsimile use at the Franchised Business as specified by Franchisor in the Brand Standards Manual or otherwise. Franchisee will also secure and maintain high speed Internet connection at the Franchised Business as specified by Franchisor in the Brand Standards Manual or otherwise. Franchisee will provide continuous telephone answering coverage by an employee whenever the Franchised Business is open for business. Franchisee will be solely responsible for the payment of all bills which result from the use and/or maintenance of the telephone lines and Internet connections at the Franchised Business and the operation of all Technology.

(iv) All data (other than Franchisee's employee records and data, as Franchisee controls exclusively its labor relations and employment practices) provided by Franchisee, uploaded to Franchisor's system from Franchisee's system, and/or downloaded from Franchisee's system to Franchisor's system, is, and will be owned exclusively by Franchisor and Franchisor will have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee. In addition, all other data created or collected by Franchisee in connection with the System, or in connection with Franchisee's operation of the Franchised Business (including but not limited to consumer and transaction data), is and will be owned exclusively by Franchisor during the Initial Term and any Renewal Term of, and following termination, non-renewal, or expiration of, this Agreement for any reason. Copies and/or originals of such data must be provided to Franchisor upon Franchisor's request. Franchisor hereby licenses use of such data back to Franchisee, at no additional cost, solely for the Initial Term and any Renewal Term of this Agreement and solely for Franchisee's use in connection with the establishment and operation of the Franchised Business pursuant to this Agreement.

(v) Despite the fact that Franchisee agrees to buy, use, and maintain the Technology according to Franchisor's standards and specifications, Franchisee will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Technology; (2) the manner in which the Technology interfaces with Franchisor's and any third party's computer system; and (3) any and all consequences if the Technology is not properly operated, maintained, and upgraded. Franchisee may not install any software, other than authorized upgrades, or make any hardware modifications to the Technology that might hamper or interfere with the operation of the Technology in the manner Franchisor requires.

(q) **Franchise Advisory Council.** Franchisor may, but is not obligated to, form a Franchise Advisory Council selected by Franchisor in Franchisor's sole discretion, which shall provide Franchisor input as Franchisor may request from time to time ("FAC"). The FAC exists at Franchisor's pleasure, and Franchisor is not obligated or bound by any input provided by the FAC. The FAC will consist of franchisees in full compliance with this Agreement and/or Franchisor's representatives. Franchisor has the right to add or remove members of the FAC in Franchisor's sole discretion.

(r) **Data Protection; Privacy.**

(i) **Definition of Personal Information**. As used in this Agreement, "Personal Information" shall mean (i) any information that can be used to identify, locate, or contact an individual or household, including but not limited to Franchisee's employees and customers and (ii) information that is defined as protected, personal information under any Privacy Law.

(ii) **Data Protection and Security Policies**. Franchisee shall comply with, or, as applicable, adopt policies consistent with the then-current version of Franchisor's data protection and security policies as may be described in the Brand Standards Manual ("Data Protection and Security Policies"). Such policies may govern how Franchised Business Data and Personal Information contained in such data shall be collected, used, store, processed, shared, or destroyed. Franchisor has the right, but not the obligation to create such Data Protection and Security Policies. Franchisee acknowledges that Franchisor may supplement, modify, or amend the Data Protection and Security Policies from time to time in its sole discretion, and that Franchisee shall comply with such modifications or amendments within thirty (30) days of notice from Franchisor. Franchisor may require Franchisee to institute a data privacy policy for its Franchised Business. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent as to said policy.

(iii) **Privacy Laws**. Franchisee warrants and represents and covenants that it shall comply with (i) applicable prevailing industry standards concerning privacy, data protection, confidentiality and information security, including, without limitation, the then-current Payment Card Industry Data Security Standard of the PCI Security Standards Council ("PCI-DSS"), (ii) those mandatory Data Protection and Security Policies, if any,

and (iii) all applicable international, federal, state, and local laws, rules, and regulations, as the same may be amended or supplemented from time to time, pertaining in any way to the privacy, confidentiality, security, management, disclosure, reporting, and any other obligations related to the possession or use of Personal Information (collectively, "Privacy Laws").

(iv) **Marketing; Consumer Protection**. Franchisee warrants and represents not to transmit or cause any other party to transmit advertisements or solicitations by e-mail, SMS text message, or other electronic media without first obtaining Franchisor's written consent as to: (a) the content of such e-mail, electronic, or SMS text message advertisements or solicitations; and (b) Franchisee's plan for transmitting such advertisements. In addition to any other provision of this Agreement, Franchisee shall be solely responsible for compliance with all laws pertaining to e-mails, including, but not limited to, the U.S. Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003"), and to use of automatic dialing systems, SMS text messages, and artificial or prerecorded voice messages, including but not limited to the Telephone Consumer Protection Act of 1991 ("TCPA"), as amended from time to time. Franchisee must comply with the Fair and Accurate Credit Transactions Act (FACTA) and all other consumer protection laws and regulations.

(v) **Security; Security Breach**. Franchisee shall establish, maintain, and comply with appropriate internal, physical, and technical security measures in order to protect Personal Information associated with the Franchised Business and the Franchised Business Data against unauthorized disclosure and access and accidental or unlawful destruction, loss, or alteration. Franchisee shall cooperate with Franchisor in any audit that Franchisor may conduct from time to time of its data storage and management systems and Franchisee's storage of Personal Information. In addition, if Franchisee becomes aware of any actual or suspected unauthorized access, processing, loss, use, disclosure, alteration, destruction, transfer, or other compromise or acquisition of or access to any Personal Information, whether such information is stored in paper or electronic form, or information that might reasonably expose Franchisor to any harm or prejudice of any type or actual or suspected intrusion by an unauthorized third party into Franchisee's or Franchisor's computers, networks, servers, IT resources, or paper files ("Security Breach"), Franchisee shall immediately notify the Franchisor's Chief Executive Officer via telephone of such matter and shall thereafter cooperate with Franchisor to investigate and remedy such matter. Except to the extent required by applicable law, no public disclosure of any instance of such unauthorized access or breach shall be made by Franchisee unless Franchisor has authorized the provision of notice and the form of such notice in writing. Franchisee shall reimburse Franchisor for all reasonable Notification and Remediation Related Costs (hereinafter defined) incurred by Franchisor arising out of or in connection with any such Security Breach that is directly or indirectly caused by Franchisee or its personnel. "Notification and Remediation Related Costs" shall include Franchisor's internal and external costs associated with addressing and responding to the Security Breach, including but not limited to: (i) preparation and mailing or other transmission of legally required notifications to affected individuals, regulators and attorneys general; (ii) preparation and mailing or other transmission of such other communications to customers,

agents or others as Franchisor deems reasonably appropriate; (iii) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (iv) engagement of information technology consultants, public relations and other similar crisis management services; (v) payment of legal and accounting fees and expenses associated with Franchisor's investigation of and response to the Security Breach; and (vi) payment of costs for commercially reasonable credit reporting services that are associated with legally required notifications or are advisable under the circumstances. Franchisee agrees to hold harmless, defend and indemnify Franchisor Indemnified Parties from and against any and all losses, expenses, judgments, claims, attorney fees and damages arising out of or in connection with any claim or cause of action in which Franchisor Indemnified Parties shall be a named defendant and which arises, directly or indirectly, out of the operation of, or in connection with a Security Breach or Franchisee's or Franchisee's officers, directors, agents or employees' violation of any Privacy Law, Data Protection and Security Policies, consumer protection-related law or regulation, e-mail marketing and other marketing laws and regulations, and the PCI-DSS.

(vi) **Inspection**. Franchisor, through its employees and/or any agents designated by Franchisor from time to time, may at any time during business hours, and without prior notice to Franchisee enter upon and inspect the each business premises and examine Franchisee's Technology, databases, business records and other supporting records and documents in order to verify compliance with its Data Protection and Security Policies, and Privacy Laws. Any such inspection shall be made at Franchisor's expense, provided that if such inspection is necessitated by Franchisee's repeated or continuing failure to comply with the Data Protection and Security Policies, Privacy Laws, this Agreement, Franchisor may charge Franchisee for the costs of making such inspection, including without limitation, travel expenses, room and board, and compensation of Franchisor's employees and/or agents.

(vii) **Personal Information Consent and Requests**. Franchisee is responsible for obtaining any required consent to the collection, use, storage, processing, and sharing of Personal Information from its customers, employees, and other parties from which it is required to obtain consent under the Privacy Laws or Data Protection and Security Policies. Franchisee shall retain copies of the consent and store them and share them with Franchisor in the manner Franchisor requires. Franchisee shall fully comply with Data Protection and Security Policies and Privacy Laws as they relate to a person's exercise of his or her rights under the Privacy Laws. If any person contacts Franchisee seeking to exercise any right under law pertaining to Personal Information, Franchisee shall comply with such request in accordance with the terms of this Agreement, including the Data Protection and Security Policies, the Brand Standards Manual, the Privacy Laws, and as otherwise instructed by Franchisor. If requested by Franchisor, Franchisee must cooperate or coordinate with Franchisor to provide information about the way that Franchisee has collected, used, stored, processed, and shared Personal Information.

(viii) **Use of Personal Information**. Franchisee warrants and represents and covenants that it shall not collect, use, store, process, or share Personal Information unless

such action is permitted by (i) the terms of this Agreement, (ii) the terms of the Data Protection and Security Policies, (iii) the standards in the Brand Standards Manual, (iv) Privacy Laws, and if, applicable, (v) written approval of Franchisor. Franchisee shall collect, use, store, process, and share Personal Information only for purposes of operating the Franchised Business. Franchisee shall not sell Personal Information. Franchisee shall not re-identify any Personal Information that has been de-identified. If Franchisee engages any vendor that will collect, use, store, process, or share Personal Information, Franchisee must contractually bind the vendor to the data protection obligations that Franchisor requires.

(s) **Credit Card Processing.** Franchisee agrees to use such credit card processing services approved by Franchisor and to purchase and maintain, at Franchisee's expense, any equipment necessary to permit such credit card processing functionality. Notwithstanding the credit card processing requirement, Franchisor does not represent, nor does it certify or warrant, to Franchisee or Franchisee's clients that the credit card processing service approved by Franchisor is compliant, whether or not certified as such, with the PCI Data Security Standards.

(t) **Warranty and Customer Service**. Franchisee must guaranty the satisfaction of customers. Franchisee acknowledges Franchisor's philosophy that exceeding customers' expectations is essential to Franchisee's success as well as the reputation and success of the System and other CARE WITH LOVE franchisees and that all System franchisees shall endeavor to go above and beyond expectations and generosity in all customer dealings. Accordingly, Franchisee agrees to: (i) use its best efforts to ensure the complete satisfaction of each of Franchisee's customers; (ii) apply the highest standards of customer service and use good faith in all dealings with customers, potential customers, referral sources, suppliers, and creditors; (iii) accept the types and forms of customer payment as Franchisor may require from time to time and shall not accept a type or form of payment that Franchisor has not authorized; (iv) follow the procedures for customer complaints found in the Brand Standards Manual; (v) respond to customer complaints in a courteous, prompt, and professional manner; (vi) use its best efforts to promptly and fairly resolve customer dispute; (vii) comply with Franchisor's policies for customer refunds; and (viii) within twenty-four (24) hours of receiving a request from Franchisor, provide Franchisor a written summary of the dispute. Resolution of customer concerns may involve discounting products or services and other such measures that affect the Gross Revenues of the Franchisee. If Franchisee fails to resolve a dispute with a customer, for any reason whatsoever, Franchisor, in its sole discretion and for the sole purpose of protecting the goodwill and reputation of the System and the Marks, may (but shall not be obligated to) investigate the matter and take such action as Franchisor may deem necessary or appropriate to resolve the dispute fairly and promptly, including, but not limited to, the issuance of a refund on Franchisee's behalf. Within ten (10) days after receiving notice thereof, Franchisee shall reimburse Franchisor for any amounts Franchisor incurred in responding to and/or resolving the customer dispute that Franchisee failed to satisfactorily resolve. Franchisee hereby authorizes Franchisor to take payment of such amounts, at Franchisor's option, through electronic funds transfer or ACH payment. Nothing contained in this Section, or any other provision of this Agreement shall be construed to impose liability upon Franchisor to any third party for any action by or obligation of Franchisee.

(u) **Evidence of Relationship**. Franchisee shall hold itself out to the public as an independent contractor by, without limitation: (i) clearly identifying itself in all dealings with third parties as a franchised, independently owned and operated entity, including on all public records, checks, stationery, contracts, receipts, marketing materials, envelopes, letterhead, business cards, employment applications, and other employment documents, invoices and other communications, electronic or otherwise; and (ii) displaying a sign in the Franchised Business and vehicles used in the operation of the Franchised Business so as to be clearly visible to the general public indicating that the Franchised Business is independently owned and operated as a franchised business.

(v) **Quality Assurance, Secret Shoppers; Toll-Free Number; Etc**. Franchisor may, at its sole discretion, institute various programs for verifying client care and satisfaction and/or Franchisee's compliance with all operational and other aspects of the System, including, without limitation, marketing research surveys, a toll-free number, customer comment cards, secret shoppers, or otherwise. Franchisor will share with Franchisee the results of such programs as they pertain to Franchisee's business and Franchisee agrees to reimburse Franchisor for all costs associated with any and all such programs, which cost may be drafted by EFT at the sole discretion of Franchisor.

(w) **Telephone Number**. Franchisee shall establish a local telephone number for the Franchised Business. Franchisee shall keep Franchisor notified as to the current telephone number for the Franchised Business. In no event shall Franchisee use such number for any other business. Franchisee further covenants that in the event it obtains any additional or substitute telephone service or telephone number at the Franchised Business, it will promptly notify Franchisor and such additional or substitute number shall be subject to the terms of this subsection.

(x) **Payment of Taxes.** Franchisee shall promptly pay all taxes, assessments, and levies arising in connection with the operation of the Franchised Business, including, without limitation, sales taxes, use taxes, excise taxes, personal property taxes, intangible property taxes, gross receipts taxes, unemployment taxes, withholding taxes, and taxes on Royalties, except for taxes on Franchisor's net income. Franchisor shall have no liability for any taxes imposed on or related to Franchisee or the Franchised Business. Franchisee shall be solely responsible for paying such taxes and shall promptly reimburse Franchisor for any taxes that Franchisor or its affiliates may be required to pay on Franchisee's behalf by reason of the furnishing of products, intangible property (including trademarks and trade names) or services by Franchisor to Franchisee through the sale, license, or lease of property or property rights provided under this Agreement, except for Franchisor's own income taxes.

(y) **Operations Manager.** Franchisee shall designate an individual to serve as the "Operations Manager" for the Franchised Business, which may be Franchisee, an Owner of Franchisee or another Franchisee employee. The Operations Manager shall devote full time and best efforts to the supervision and conduct of the development and operation of the Franchised Business in order to ensure compliance with this Agreement and to maintain Franchisor's high standards. Management responsibility shall include, without limitation, maintaining the highest standards of service, safety, product quality and consistency, and supervising employees to ensure that the highest standard of service is provided and to ensure that Franchisee's employees deal with customers, suppliers, Franchisor, and all other persons in a courteous and polite manner.

Franchisor may give direction to, and may receive feedback from, the Operations Manager on matters other than those relating to labor relations and employment practices. The Operations Manager shall be approved by Franchisor, complete Franchisor's initial training requirements, participate in and complete to Franchisor's satisfaction all additional training as may be reasonably required by Franchisor. The Operations Manager shall agree in writing to be bound by non-compete and confidentiality provisions substantially similar to those contained in Sections 14 and 15 of this Agreement. If at any time for any reason the Operations Manager no longer qualifies to act as such, Franchisee shall promptly designate another Operations Manager subject to the same qualifications set forth in this Section 11(y). Franchisor shall receive advanced written notice of any change in the Operations Manager. Franchisee may designate any number of assistant managers and may replace any assistant manager at any time provided that Franchisee notifies Franchisor of any such changes in management personnel by the day following the date on which any new assistant manager is hired. Franchisor may, at its option, require any new manager to complete Franchisor's training program at Franchisee's expense. All of Franchisee's personnel performing managerial or supervisory functions or receiving special training and instruction must, to the extent permitted by applicable law, sign reasonable non-compete, non-solicitation, and confidentiality provisions substantially similar to those contained in Sections 14 and 15 of this Agreement for their positions to protect Confidential Information and the competitiveness of CARE WITH LOVE businesses. However, under no circumstances will Franchisor control the forms of employment agreements Franchisee uses with its employees or otherwise be responsible for Franchisee's labor relations or employment practices.

(z) **Requirements for Employees**. Franchisee must employ a sufficient number of employees to ensure quality service to clients and to provide service at the times reasonably requested by the client, including care during non-business hours or overnight. Franchisee shall, after extending an offer of employment but prior to the commencement of any services to clients, obtain background checks on its employees. Franchisor may designate a required supplier of background checks that Franchisee must use. Franchisee shall not hire any prospective employee for any position involving entrance to a residence if such prospective employee's background check indicates, in Franchisee's sole discretion, a propensity for violence; dishonesty; negligent, reckless, or careless behavior; or conviction of any crime. Notwithstanding the foregoing, all matters of employment and safety of Franchisee's customers and clients are within Franchisee's discretion and control. Franchisor shall not be liable to Franchisee, any employee or prospective employee of Franchisee, or any third-party for any act or omission of Franchisee or any employee or agent of Franchisee, and Franchisee's indemnification obligations set forth in Section 19 herein shall apply to any claims, demands, or actions against Franchisor arising from any act or omission of Franchisee or any employee or agent of Franchisee (including, without limitation, refusal to hire or discrimination claims or claims asserted by third parties for torts allegedly committed by any employee or agent of Franchisee). Franchisee is solely responsible for ensuring that its employees have the necessary permits and licenses to work in the Franchised Business, including driver's licenses. Laws applicable to the Franchisee's jurisdiction may require Franchisee to hire certain types of employees and require employees to obtain Personal Care Licenses. Franchisee shall comply with all such requirements, shall not operate without any required personnel, and shall not hire any person who does not have the required license or credentials for the position.

(aa) **Minimum Performance Standards**. Franchisee shall meet the Minimum Performance Standards in connection with Franchisee's operation of the Franchised Business. Franchisee agrees that beginning one (1) year after Franchisee has begun operation of the Franchised Business and each year thereafter, Franchisee shall meet or exceed the following minimum gross revenue amounts for the associated term year of the franchise agreement ("Minimum Gross Revenue"):

Term Year	Minimal Performance Gross Revenue Amount
1	No Minimum
2	$480,000.00
3	$648,000.00
4	$842,400.00
5	$1,010,880.00
6	$1,213,056.00
7	$1,334,361.60
8	$1,467,797.76
9	$1,614,577.54
10	$1,776,035.29

Franchisor may monitor the amount of monthly Gross Revenue that Franchisee earns, however Franchisee shall have until the end of the year to meet the Minimum Gross Revenue amount. Franchisee agrees and acknowledges that the Minimum Performance Standards are in no way representations, promises, or guarantees of potential client expenditure review amounts or of Franchisee's potential share of Gross Revenue. It is at all times Franchisees responsibility to acquire customers and to pursue approved business development strategies, and achievement of the Minimal Performance Standards will depend on Franchisee's own efforts. The Franchisor makes no representations, promises, or guarantees regarding the amount of Minimal Performance Standards.

In the event that Franchisee fails to meet the Minimal Performance Standards, then, in lieu of termination, the Franchisor reserves the right, but not the obligation, to:

(i) Grant Franchisee the right to cure this default by providing Franchisee with the option to comply with the Franchisor's then-current additional training. Such additional training may include, without limitation, minimum improvement thresholds additional required training, periodically providing relevant requested information to the Franchisor, and other such requirements the Franchisor may specify. Franchisee shall be required to pay to Franchisor such additional training fees, currently $500 per person per day plus out-of-pocket expenses and travel. We reserve the right to increase any additional training up to a maximum of $750 per person per day plus out-of-pocket expenses and travel;

(ii) Non-renewal of this Agreement under Section 2(b)(x); and/or

(iii) Terminate any rights Franchisee has under this Agreement.

(bb) **Customer Service and Payments.** Franchisee must follow the procedures for customer complaints found in the Brand Standards Manual, as applicable. Resolution of customer concerns may involve discounting goods or services and other such measures that affect the Gross Revenues and profits of the Franchised Business. Franchisor reserves the right to charge Franchisee for Franchisor's costs to respond and/or resolve a complaint by Franchisee's customers that Franchisee does not satisfactorily resolve. Franchisee shall comply with Franchisor's policies for customer refunds. Franchisee agrees to accept the types and forms of customer payment as Franchisor may require from time to time and shall not accept a type or form of payment that Franchisor has not authorized.

12. Products; Services.

(a) **Products and Supplies.** In the operation of the Franchised Business, Franchisee shall use and sell only those vehicles, products, materials, supplies, equipment, and technology that have been specifically designated, approved or required by Franchisor. Franchisee shall sell all goods and services required by Franchisor. Franchisee shall obtain all products, materials, supplies, equipment, technology, and services that are used in operation of the Franchised Business from suppliers that Franchisor shall have specifically designated or approved. Franchisee may be required to purchase from Franchisor certain products or services, or Franchisor may designate an affiliate as the designated supplier of any products, materials, supplies, equipment, technology, or service used in the operation of the Franchised Business. Franchisor may designate exclusive suppliers for any products, materials, supplies, equipment, technology and services. Franchisor or its affiliates may receive payments or other compensation from suppliers on account of the suppliers' dealings with Franchisor, Franchisee, or other franchised businesses in the System. Franchisor may use any amounts that it receives from suppliers for any purpose that Franchisor deems appropriate. Franchisor and its affiliates may negotiate supply contracts with its suppliers under which Franchisor is able to purchase products, equipment, supplies, and services at a price lower than that at which franchisees are able to purchase the same items. Franchisor may, from time to time, amend the list of approved products, equipment, and suppliers, and Franchisee must comply with any such changes within thirty (30) days after receiving notice of the change. Products and services other than those required to be obtained from Franchisor or a designated supplier may be purchased from any source provided that the particular supplier, services, and products have been approved by Franchisor. Franchisor may, from time to time, amend the list and this section of approved products, services, and suppliers. If Franchisee requests that Franchisor review a new or alternate supplier, service, or product, Franchisee shall pay Franchisor's then-current evaluation fee plus any costs and expenses Franchisor incurs as a result of its evaluation. Further if Franchisor and its affiliates sell any goods and services to Franchisee, Franchisor and its affiliates may make a profit. Franchisee hereby agrees that Franchisor and its affiliates are entitled to such profits, payments, discounts, or other compensation.

(b) **Services.** Franchisee agrees that it will offer and sell only those services specifically designated or approved by Franchisor and do so in accordance with the terms of this Agreement and the Brand Standards Manual. As discussed above, Franchisee shall not offer Skilled Care services.

(c) **Pricing.** Franchisee shall have the right during the Initial Term to set prices provided that, subject to applicable antitrust laws, such pricing: (1) complies with any minimum or maximum prices set by Franchisor; and (2) complies with any and all prices specified by Franchisor; (3) conforms to any bona fide promotional programs periodically established by the Franchisor; and (4) comply with the Franchisor's standards and are approved by the Franchisor. Franchisor reserves the right to approve Franchisee's pricing requests on a case-by-case basis if the requested prices differ from Franchisor's standards. Franchisor retains the right to modify its pricing policies from time to time in its sole discretion. Franchisee must provide to Franchisor a price list containing all of the prices charged for the products supplied by the Franchised Business. The price list must be updated and supplied to Franchisor every time Franchisee alters its prices and, in any event, at least annually. Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary pricing standards and policies within the Franchised Business or any other Franchised Business in the Chain based upon peculiarities of particular location or circumstances, including, but not limited to, density of population and other demographic factors, size of a franchisee's territory, business practices or customs, cost of a franchisee's rent or mortgage payments, or any other condition which Franchisor deems to be of importance to the operation of such Franchised Business or the Chain. Franchisee acknowledges that because of these factors and others, there may be variations from standard pricing policies and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee.

(d) **System Changes.**

(i) Franchisee understands and agrees that the CARE WITH LOVE System must not remain static if it is to meet (without limitation) presently unforeseen changes in technology, industry practices, competitive circumstances, demographics, populations, consumer trends, societal trends and other market place variables, and if it is to best serve the interests of Franchisor, Franchisee, and the network of all other franchisees. Accordingly, Franchisee expressly understands and agrees that Franchisor may from time to time change the components of the System, including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the CARE WITH LOVE System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting from or modifying those products, programs and services which Franchisee's Franchised Business is authorized and required to offer; modifying, refurbishing, remodeling, or substituting entirely the Premises, vehicles, equipment, signage, trade dress, decor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which Franchisee is required to observe hereunder; and changing, improving, modifying or substituting the copyrights, trade-secrets, know-hows, Marks, and Technology. Franchisee expressly agrees to comply, at its sole expense, with any such modifications, changes, additions, deletions, substitutions and alterations. Further, Franchisee agrees there is no limit to Franchisor's ability to modify the System. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors as a result of such System changes, even if any additional capital investment in the Franchised Business at that time (made in compliance

with Franchisor's requirements) cannot be amortized over the remaining portion of the Initial Term. Franchisee shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed.

(ii) Franchisee and its personnel may also be required to obtain different types of licenses, credentials, permits, or other authorization, whether or not required by law, to adapt to the System changes. Franchisee and its personnel shall obtain such licenses if required by Franchisor or by applicable law.

(iii) Except as provided herein, Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications contemplated hereby. Franchisee hereby covenants not to commence or join in any litigation, arbitration, or other proceeding against Franchisor or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. Finally, Franchisee expressly waives any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

(e) **Technology Changes**. Franchisee acknowledges and agrees that changes to technology are dynamic and not predictable within the Initial Term any Renewal Term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees that Franchisor shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and Franchisee agrees that it will abide by those reasonable new standards established by Franchisor, at Franchisee's sole cost and expense. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors, as a result of these changes to technology.

(f) **Promotional Requirements**. Franchisor has the right to require Franchisee to participate in national, regional, and local giveaways and promotions. Franchisee may be required to provide free or discounted products or services as a result of such giveaways or promotions. Franchisor is not required to reimburse Franchisee for Franchisee's costs and expenses incurred as a result of these giveaways and promotions.

(g) **No Warranties.** FRANCHISOR, ITS AFFILIATES, AND THEIR REPRESENTATIVES, MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS FRANCHISOR, ITS AFFILIATES, AND THEIR REPRESENTATIVES, APPROVE, SUPPLY, OR REQUIRE FRANCHISEE TO PURCHASE OR USE. FRANCHISOR, ITS AFFILIATES, AND THEIR REPRESENTATIVES EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT, SUPPLIES, OR OTHER APPROVED ITEMS.

13. Transfer; Franchisor's Right of First Refusal.

(a) Transfers by Franchisor. This Agreement, and any and/or all of Franchisor's rights and/or obligations under it, are fully transferable by Franchisor in Franchisor's sole discretion and will inure to the benefit of any person or entity to whom Franchisor transfers it, or to any other legal successor to Franchisor's interest in this Agreement. If Franchisor transfers this Agreement, or any and/or all of Franchisor's rights and/or obligations under it, all past, current and future obligations of Franchisor to Franchisee will cease and be forever extinguished. Franchisor shall be released from all obligations and liabilities arising or accruing in connection with this Agreement after the date of such transfer or assignment, and Franchisee's obligations and duties shall be and will remain the same notwithstanding any such assignment. Franchisor may be sold and/or Franchisor may sell any or all of its assets to a competitive or other entity; or Franchisor may participate in an initial, or other, public offering or private placement of Franchisor's stock; may merge, acquire other entities and/or assets (competitive or not); may be acquired by a competitive or other entity; and/or may undertake any refinancing, leveraged buy-out and/or other transaction. Franchisee waives any and all claims, demands and/or damages with respect to any transaction or otherwise allowed under this section or otherwise.

(b) Transfers by Franchisee. The rights and interest of Franchisee under this Agreement are and shall remain personal to Franchisee. Franchisee recognizes that Franchisor has granted the License in reliance on the business and financial capacity and other attributes of Franchisee, the personal skill, qualifications and representations of the Owners of Franchisee and in reliance upon Section 14, 15 and 23 of this Agreement. Therefore, neither Franchisee's interest, rights or privileges in the Agreement, the License, substantially all of the assets of the Franchised Business, or the Franchised Business, nor any Owner's interest in Franchisee or the Owner(s), shall be transferred in whole or in part, voluntarily or involuntarily, by operation of law or otherwise, in any manner, except as provided in this Section 13. For purposes of this Agreement, the term "transfer" shall mean any issuance, sale, assignment, gift, pledge, mortgage or any other encumbrance (other than a lien against Franchisee's assets to secure a loan for the construction, remodeling, equipping or operation of the Franchised Business), transfer by bankruptcy, transfer by judicial order, merger, consolidation share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary. Except as provided below, any ownership or structural changes in Franchisee including but not limited to, any merger, reorganization, issuance of additional shares or classes of stock or additional partnership interests, shall constitute and be deemed a transfer and shall be subject to the provisions of Section 13(d).

(c) Franchisor's Right of First Refusal.

(i) Exercise of Right. If Franchisee or an Owner proposes to transfer this Agreement or its interest herein or in the Franchised Business, in whole or in part, Franchisee must first deliver a statement to Franchisor offering to sell to Franchisor the Franchisee's or Owner's interest in this Agreement and the land, building, equipment, furniture and fixtures and any other assets or leasehold interests used in the operation of the business. If the proposed transfer involves an offer from a third party, then Franchisee must obtain from the third-party offeror and deliver to Franchisor a statement, in writing, signed by the offeror and by Franchisee, of the binding and non-binding terms of the offer.

If the transfer does not involve an offer from a third party, then the purchase price for Franchisor's purchase of assets described above will be the fair market value of the assets or interests, but shall not include the value of any goodwill of the business, including any goodwill associated with any Online Presence owned, operated, occupied, or controlled by Franchisee, as, in each case goodwill is attributable to the Marks and the System. If Franchisee disagrees with the value of the Franchised Business as determined by Franchisor, then Franchisee and Franchisor shall each hire an appraiser (or a single appraiser, if they so agree) to value the assets or interest. If the appraisals are within twenty percent (20%) of each other, then the difference between the two shall be equally divided to establish the price at which Franchisor may exercise its first right and option. If the difference between the appraisals is greater than twenty percent (20%), then the issue of the fair market value of such consideration shall be determined by a third appraiser selected by the other two appraisers and whose decisions shall be final, except that it may not be lower or higher than the lowest appraisal and highest appraisal, respectively, determined by the first two appraisers. Franchisor and Franchisee will each pay one-half of the third appraiser's fees and expenses. Franchisor then has forty-five (45) days from its receipt of the statement setting forth the third-party offer or the appraiser's report, as applicable (and all other information requested by Franchisor) to accept the offer by delivering written notice of acceptance to Franchisee. During said forty-five (45) day period, Franchisor shall have the right to inspect all Franchisee's books and records relating to the Franchised Business, specifically including all financial records and statements for the three (3) full fiscal years preceding the date on which the forty-five (45) day right of first refusal commences. Franchisor will have an additional 45 days to complete the purchase if Franchisor elects to exercise its right of first refusal. Franchisor's acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to Franchisor; provided, however (and regardless of whether the following are inconsistent with the price and terms set forth in the statement) (1) Franchisor has the right to substitute equivalent cash for any noncash consideration included in the offer, (2) Franchisor will prepare the transaction documents for the transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification), and (3) Franchisor's purchase may be limited to any assets related to the business. Franchisor has the unrestricted right to assign this option to purchase the assets or interests.

(ii) <u>Approval of Transfers</u>. If Franchisor decides not to exercise its right of refusal, Franchisor shall have the right to approve or disapprove the proposed transfer; provided, however, Franchisor's consent shall not be unreasonably withheld as provided in Section 13(d). If Franchisor approves the transfer in writing, Franchisee (or an Owner, as applicable) may make the proposed transfer on the exact terms and conditions specified in Franchisee's notice to Franchisor within sixty (60) days after the expiration of Franchisor's right of first refusal. If the transfer is not consummated within such 60-day period, Franchisee may not thereafter transfer such interest without again complying with this Section 13.

(d) **Conditions on Transfer.** Provided Franchisor chooses not to exercise its right of first refusal, Franchisor agrees that it will not unreasonably withhold its consent to a proposed transfer if all the following conditions are satisfied:

(i) Franchisee is in full compliance with this Agreement and there are no uncured defaults by Franchisee hereunder, Franchisee is in full compliance with the other agreements between Franchisee and Franchisor or Franchisor's affiliates, and all debts and financial obligations of Franchisee under this Agreement are current, including Franchisee's obligations to the Brand Fund, and all vendors, including, if applicable, Franchisor and its affiliates. Franchisee will remain liable for all obligations to Franchisor in connection with the Franchised Business which arose prior to the effective date of the transfer;

(ii) The proposed transferee executes such documents as Franchisor may reasonably require to evidence that it has assumed the obligations of Franchisee under this Agreement, including, but not limited to, the then-current version of the Franchise Agreement, and if required by Franchisor, the proposed transferee executes, and in appropriate circumstances, causes such other parties as Franchisor may require to execute, Franchisor's then-current ancillary agreements to this Agreement (including, specifically and without limitation, the personal guaranty), which documents may be substantially different than those executed contemporaneously with the execution of this Agreement. This Agreement between Franchisor and Franchisee will terminate once an approved transfer is completed;

(iii) Franchisee; Owners; guarantors of the Franchisee; and their respective predecessors, parents, affiliates, subsidiaries, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns execute a general release, in a form prescribed by Franchisor, releasing Franchisor's predecessors, parents, affiliates, and subsidiaries; and their respective shareholders, members, officers, directors, owners and employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both in their corporate and individual capacities, from any and all claims, causes of action, demands, debts, liabilities, obligations, fees, costs and expenses, including without limitation, claims and causes of action arising under federal, state and local laws, rules, regulations and ordinances, arising prior to and including the date the transfer becomes effective;

(iv) Prior to the date of the proposed transfer, the proposed transferee' owners, principal operator and managers undertake and complete, to the satisfaction of Franchisor, such training and instruction as Franchisor shall deem necessary;

(v) Franchisor is satisfied that the proposed transferee (and if the proposed transferee is an entity, all owners of any interest in such entity) meets all of the requirement for Franchisor's new franchisees applicable on the date Franchisor receives notice of the proposed transfer and including, but not limited to, good reputation and character, business experience, management experience, and financial strength and liquidity;

(vi) The Owner(s) transferring an interest in Franchisee acknowledges and agrees in writing that it is bound by Section 14, 15 and 23 of this Agreement, and all Owners and personal guarantors sign general releases in the form Franchisor requires;

(vii) Franchisee or the Owner, as applicable, pays to Franchisor a transfer fee equal to fifty percent (50%) of the then-current initial franchise fee;

(viii) The proposed transferee and all owners of any interest in a transferee that is an entity provided Franchisor, at least forty-five (45) days prior to the proposed transfer date, copies of financial statements for the preceding three (3) years, and where applicable, its certificate of incorporation and bylaws (and any amendments or modifications thereof), minutes and resolutions and all other documents, records and information pertaining to the transferee's existence and ownership; Franchisor has the right to require Franchisee to prepare and furnish to the proposed transferee and/or Franchisor such financial reports and other data relating to the Franchised Business and its operations as Franchisor deems reasonably necessary or appropriate for transferee and/or Franchisor to evaluate the Franchised Business and the proposed transfer. Franchisee agrees that Franchisor has the right to confer with the proposed transferee and furnish it with information concerning the Franchised Business and proposed transfer without being held liable to Franchisee, except for intentional misstatements made to a transferee. Any information furnished by Franchisor to proposed transferees is for the sole purpose of permitting them to evaluate the Franchised Business and proposed transfer and must not be construed in any manner or form whatsoever as claims of success or failure;

(ix) Within the time specified by Franchisor, Franchisee, at its expense, shall refurbish, update, or upgrade the Franchised Business, as necessary, to conform the Franchised Business to Franchisor's then-current standards and specifications, including, without limitation, specifications regarding, size, color, trade dress, presentation of the Marks, fixtures, make, model, and installed equipment; and

(x) Prior to or upon closing of the transfer, Franchisee shall pay in full all creditors and suppliers of the Franchised Business.

(e) **Permitted Transferees.** Notwithstanding the foregoing, provided Franchisee is in compliance with this Agreement, an Owner of less than Fifty One Percent (51%) of Franchisee's business ownership interests may transfer all or a portion of his interest in Franchisee to another Owner or to Franchisee (such person or entity being referred to as a "Permitted Transferee") and such transfer shall not be subject to the restrictions of this Section 13, including but not limited to the transfer fee set forth herein; provided, however, Franchisee shall promptly notify Franchisor of any such transfer and the exiting Owner shall sign Franchisor's form of a general release and termination agreement.

(f) **Transfer to a Wholly-Owned Entity.** Notwithstanding the foregoing, if Franchisee consists of one or more individual(s), Franchisee may transfer its interest under this Agreement to a corporation, limited liability company or other legal entity without such a transfer

being subject to the restrictions of this Section 13 so long as: (1) the legal entity is owned entirely by all of the original individual franchisees or personal guarantors hereof; (2) each and all of the obligations of Franchisee and the new legal entity are personally guaranteed by the original individual franchisees or personal guarantors hereof; (3) Franchisor receives prior written notice of the transfer along with a complete set of the new legal entity's filed, date stamped formation documents; and (4) Franchisee and the new legal entity enter into a written assignment and assumption agreement in a form prescribed by Franchisor pursuant to which the new legal entity assumes and agrees to discharge all of Franchisee's obligations under this Agreement.

(g) Death and Incapacity.

(i) Transfer Upon Death or Disability. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must transfer the Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, to a third party (which may be Franchisee's or the Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. Failure to transfer Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, within this period is a breach 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 Franchisee or the Owner from operating the Franchised Business in the manner required by this Agreement and the Brand Standards Manual or from performing its, his, or her obligations under this Agreement and the Brand Standards Manual.

(ii) Operation upon Death or Disability. During the period between death or disability of Franchisee or any Owner of Franchisee and the completion of the transfer described in Section 13(g)(i), the Franchised Business still must be operated in accordance with the terms and conditions of this Agreement. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed thirty (30) days from the date of death or disability, appoint an Operations Manager (unless Franchisee or the Owner had previously appointed an Operations Manager who remains responsible for the day-to-day operation of the Franchised Business). Any new Operations Manager must complete Franchisor's standard training program at Franchisee's expense, sign Franchisor's then-current form of confidentiality and non-compete agreement, and comply with any of Franchisor's then-current requirements for approval of an Operations Manager.

(h) Non-Waiver. Franchisor's consent to a transfer of any interest in Franchisee or the Franchised Business granted through this Agreement will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

(i) Transfer Damages. If Franchisee or an Owner engages in a transfer without first

complying with the applicable transfer provisions of this Agreement (including without limitation, the provisions of Section 13) Franchisee agrees to pay to Franchisor, within fifteen (15) days of receiving notice from Franchisor, in addition to the amounts owed under this Agreement, transfer damages equal to (a) fifteen percent (15%) of the price paid by the transferee to Franchisee or the Owners, as applicable, or (b) Twenty-Five Thousand Dollars ($25,000), whichever is greater. The parties to this Agreement acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's unauthorized transfer. The parties consider this transfer damages provision to be a reasonable, good faith pre-estimate of those damages.

14. Covenants Against Unfair Competition.

(a) Franchisee's Covenant Against Unfair Competition – During Term. Franchisee acknowledges it will receive valuable, specialized training and Confidential Information (as defined in Section 15) regarding the service, operational, sales, promotional, and marketing methods of the CARE WITH LOVE non-medical, personal care services concept that Franchisor has developed through monetary and other resource expenditures that provide competitive advantages to Franchisor's System. During the Term, Franchisee and its Owners will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) own, manage engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, salesperson or consultant for, any Competitive Business (as defined in Section 14(f)); or

(ii) offer or grant franchises or licenses for any Competitive Business; or

(iii) become a franchisee or licensee of any Competitive Business; or

(iv) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(b) Franchisee's Non-solicitation Covenant – During Term. Franchisee acknowledges it will receive customer and vendor information that is considered Confidential Information of the Franchisor. During the Term, Franchisee and its Owners will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity;

(i) solicit, divert or attempt to solicit or divert any client of Franchised Business at any time during the term of this Agreement, to any Competitive Business, as Franchisee agrees that all goodwill associated with Franchisee's operation under the Marks and the System, and all goodwill associated with any Online Presence owned, operated, occupied, or controlled by Franchisee in connection with the Franchised Business, and all client information associated therewith, inure to Franchisor; or

(ii) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the Franchised Business to provide supplies, products, equipment, merchandise, or services to a Competitive Business or to cease providing supplies, goods, equipment, merchandise, or services to CARE WITH LOVE businesses.

(c) **Franchisee's Covenant Against Unfair Competition – Post-Term.** In partial consideration for Franchisor allowing Franchisee to license Franchisor's Marks and Confidential Information, Franchisee and each of the Franchisee's Owners covenant and agree that for a period of two (2) years after the termination, expiration, or non-renewal of this Agreement, regardless of the reason for such termination, expiration, or non-renewal ("Restrictive Period"), Franchisee and its Owners shall not, within the Protected Territory (as defined in Section 14(e) below) engage in any of the following:

(i) franchise, license, engage in, own, manage, operate, or have any operational or management authority in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in itself be deemed violative of this Section 14(c) so long as Franchisee does not own themselves or through their spouses or partners more than one percent (1%) of the securities of such corporation; or

(ii) engage in any Competitive Business as an employee, consultant, or independent contractor in any capacity in which Franchisee or its Owners would be in a position to use or disclose Confidential Information; or

(d) **Franchisee's Non-Solicitation Covenant – Post-Term**. In partial consideration for Franchisor allowing Franchisee to license Franchisor's Marks and Confidential Information, Franchisee and each of the Franchisee's Owners covenant and agree that during the Restrictive Period, Franchisee and its Owners shall not, within the Protective Territory engage in any of the following:

(i) solicit, divert or induce or attempt to solicit, divert, or induce for, or on behalf of, any Competitive Business any person or entity who was an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business as the date of termination, expiration, or non-renewal of this Agreement or who was an employee of, independent contractor to, consultant to, or other service provider to the Franchise Business the one (1) year prior to the date of termination, expiration, or non-renewal of this Agreement, to work of for the Competitive Business; or

(ii) solicit, induce or attempt to solicit or induce any person or entity who is an employee of, independent contractor to, consultant to, or other service provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees to terminate or alter in any way its, his, or her relationship with Franchisor, Franchisor's affiliates, or Franchisor's other franchisees; or

(iii) solicit, divert, or induce or attempt to solicit, divert, or induce any persons who were employees of, independent contractors to, consultants to, or any other service

provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the time of the termination, expiration or non-renewal of this Agreement for, or on behalf of, any Competitive Business to work for any Competitive Business; or

(iv) solicit, divert, or attempt to solicit, divert, any vendor that has done business with the Franchised Business within one (1) year of the Restrictive Period to provide supplies, products, equipment, merchandise, or services to a Competitive Business; or

(v) Solicit, divert, or attempt to solicit or divert Client to any Competitive Business.

(e) **Protected Territory.** For purposes of this Section 14, the term "Protected Territory" means the following:

(i) An area which combined includes (a) the Territory defined in Attachment 1 as of the date of termination, expiration, or non-renewal of this Agreement, (b) the territories in which Franchisor or its affiliates or other franchisees operate any CARE WITH LOVE businesses or locations as of the date of termination, expiration, or non-renewal of this Agreement, and (c) any area which is within ten (10) miles of the boundaries of any of those territories; or

(ii) Only in the event the foregoing is determined by a court of law to be too broad, an area which combined includes (a) the Territory defined in Attachment 1 as of the date of termination, expiration, or non-renewal of this Agreement and (b) any area which is within ten (10) miles of the boundaries of the Territory; or

(iii) Only in the event the foregoing is determined by a court of law to be too broad, the Territory defined in Attachment 1 as of the date of termination, expiration or non-renewal of this Agreement.

(f) **Competitive Business**. For purposes of this Section 14, the term "Competitive Business" means any business or commercial activity, other than a CARE WITH LOVE business that Franchisee is authorized by Franchisor to operate, that:

(i) Offers non-medical companionship, homemaking, or personal care, services to people in their home who are aged, disabled, recovering, rehabilitating, convalescing, or otherwise in need of personal care services; or

(ii) provides any of the products or services offered by the Franchised Business at the time of or during the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement.

(g) **Client**. For purposes of this Section 14(g), the term "Client means (i) any client to which the Franchised Business sold any product or for which the Franchised Business performed any service at any time within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement, or (ii) any prospective client that the Franchised Business called on at

any time or had any communications within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement, or (iii) any prospective client about whom the Franchised Business gathered information at any time within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement that could be used to the competitive disadvantage of the Franchisor, Franchisor's affiliates, or Franchisor's other franchisees at the time of termination, expiration, or non-renewal of this Agreement.

(h) **Reasonableness.** The foregoing in-term and post-termination covenants against unfair competition with respect to similar Competitive Businesses shall apply regardless of how or why the Agreement terminates, expires, or does not renew. The parties agree that the foregoing covenants contained in this Section 14 contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect Franchisor's goodwill or Franchisor's other business interest and its franchisees and the provisions do not prevent Franchisee or its Owners from earning a living. Franchisee agrees that the scope of activities prohibited in this Section 14, and the length of the term and geographical restrictions in this Section 14, are necessary to protect the legitimate business interests and are fair and reasonable and are not the result of overreaching, duress, or coercion of any kind. Franchisee's full, uninhibited, and faithful observance of each of the covenants in this Section 14 will not cause any undue hardship, financial or otherwise. Enforcement of each of the covenants in this Section 14 will not impair Franchisee's or its Owners' ability to obtain employment commensurate with Franchisee's or its Owners' abilities or on terms fully acceptable to Franchisee or otherwise to obtain income required for the comfortable support of Franchisee and its Owners and their families, and the satisfaction of the needs of all of Franchisee's and its Owners' creditors. Franchisee's and its Owners' special knowledge of the Franchised Business and of Competitive Businesses (and anyone acquiring this knowledge through Franchisee or its Owners) is such as it would cause Franchisor serious injury and loss if Franchisee or its Owners (or anyone acquiring this knowledge through Franchisee or its Owners) were to use this knowledge to the benefit of a competitor or were to compete with Franchisor or its franchisees. The covenants in this Section 14 are to be construed as independent of any other covenant or provision of this Agreement. The existence of any claim Franchisee or any of its Owners may have against Franchisor or any of its affiliates (regardless of whether arising under this Agreement) is not a defense to the enforcement of these covenants against Franchisee or its Owners. In the event of any violation of the provisions of this Section 14, the Restrictive Period shall be extended by a period of time equal to the period of the violation. Franchisee and Franchisor agree that the running of the applicable post-termination Restrictive Period shall be tolled during any period of such violation.

(i) **Managerial and Supervisory Employees.** Franchisee covenants that it shall cause all persons who are involved in managerial or supervisory positions with Franchisee to enter into an agreement to be bound by provisions substantially similar to Sections 14 and 15 of this Agreement. Franchisee agrees to provide Franchisor with copies of such executed agreement upon request. If Franchisee has reason to believe that any person has violated any such provisions of this Agreement, Franchisee shall promptly notify Franchisor and cooperate with Franchisor to protect Franchisor against unfair competition, infringement, or other unlawful use of the Marks, trade secrets, service methods, or System of the Franchisor. Franchisee further grants Franchisor the right, but not the obligation, to prosecute any such lawsuits at Franchisor's expense on behalf of Franchisee.

15. Trade Secrets and Confidential Information.

Franchisee understands and agrees that Franchisor has disclosed or will hereafter disclose to Franchisee certain Confidential Information. Except as necessary in connection with the operation of the Franchised Business and as approved by Franchisor, Franchisee shall not, during the Term or at any time after the expiration, non-renewal, transfer, or termination of this Agreement, regardless of the cause thereof, directly or indirectly, use for its own benefit or communicate or divulge to, or use for the benefit of any other person or entity Confidential Information. Franchisee shall disclose to its employees only such Confidential Information as is necessary to operate its business hereunder and then only while this Agreement is in effect. Franchisee will require all personnel having access to any Confidential Information from Franchisor to execute an agreement requiring them to maintain the confidentiality of information they receive in connection with their employment at the Franchised Business. Those confidentiality agreements will be in a form satisfactory to Franchisor. Franchisor's approval of such confidentiality agreements is solely to ensure that Franchisee adequately protects the trade secrets, Confidential Information, knowledge, and know-how of Franchisor. Under no circumstances will Franchisor control the forms or terms of employment agreements Franchisee uses with their employees or otherwise be responsible for Franchisee's labor relations or employment practices. "Confidential Information" means the information, not generally known to the public, in any form, relating to the Franchised Business and its operations, including all trade secrets of the Franchised Business; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the Franchised Business not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer service records and mail lists); formulas; electronic code; designs; marketing, advertising, and promotional materials; business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that the Franchisor or its affiliates designates as confidential, including all information contained in the Brand Standards Manual.

16. Insurance.

(a) **Types and Extent of Coverage for a Franchised Business.** Franchisee shall, at its sole expense, obtain and maintain throughout the Term such insurance coverages with such limits as specified below or as modified from time to time in the then-current version of the Brand Standards Manual (or such greater amounts of insurance as may be required by the terms of any lease or mortgage relating to the Premises, or agreement with clients):

(i) Commercial general liability insurance with the following limits:

(1) general aggregate limit of at least Three Million Dollars ($3,000,000);

(2) personal and advertising liability limit of at least One Million Dollars ($1,000,000);

(3) each occurrence limit of at least One Million Dollars ($1,000,000);

(4) damage to rented premises of at least One Hundred Thousand Dollars ($100,000);

(5) medical expenses for any one person of limit of at least Five Thousand Dollars ($5,000);

(ii) Owned and non-owned automobile insurance with a combined single limit of at least One Million Dollars ($1,000,000);

(iii) Home health care professional liability insurance with a limit of at least One Million Dollars ($1,000,000) for each occurrence and at least Three Million Dollars ($3,000,000) in aggregate;

(iv) Physical and sexual abuse insurance with limits of One Hundred Thousand Dollars ($100,000) for each occurrence and Three Hundred Thousand Dollars ($300,000) in aggregate;

(v) Worker's compensation insurance that complies with the statutory requirements of the state in which the Franchised Business is located.

(b) **Other Insurance Requirements.** Franchisee shall obtain from a nationally recognized insurance company and at all times during the term of this Agreement maintain in force and pay the premiums for all types of insurance listed above with complete operations coverage. All policies of insurance required to be maintained hereunder shall: (i) be written as primary policy coverage and not "excess over" or contributory with any other applicable insurance, including Franchisor's insurance; (ii) shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer(s)' liability; (iii) shall not contain any special limitations on the scope of coverage afforded to Franchisor; (iv) shall provide that any failure by Franchisee or any of Franchisee's employees, agents, subcontractors, or suppliers, to comply with any notice, reporting, or other similar provisions of such policies shall not affect the coverage provided to Franchisor. From time to time in Franchisor's sole discretion, Franchisor may increase or modify such limits of liability or require additional types of coverage (including but not limited to cyber liability coverage). The insurance policies shall name Franchisor and any affiliates, officers, members, owners, subsidiaries, and employees Franchisee designates as an "additional insured" and shall expressly protect both Franchisor and Franchisee (and any other additional insured) on a primary and non-contributory basis and shall require the insurer to defend both Franchisee and Franchisor (and any other additional insured) in any action while reserving Franchisor's right to involve counsel of Franchisor's own choosing in protection of its own and system wide interests. Additionally, Franchisee's insurance policy must waive on behalf of Franchisee's insurer any right of subrogation by the insurance company against Franchisor and Franchisor's officers, shareholders, and employees. Franchisee understands that doing so does not necessarily furnish Franchisee with protection levels adequate to Franchisee's needs and that Franchisee's obligation to indemnify Franchisor as set forth above in this Agreement may exceed

the amount of insurance Franchisee is required to obtain or does obtain. At least thirty (30) days prior to the time any insurance is first required to be carried by Franchisee, Franchisee will deliver or caused to be delivered to Franchisor Certificates of Insurance evidencing the proper coverage with limits not less than those required by this Agreement and evidencing that Franchisor is named as an additional insured under such policy on a primary and non-contributory basis as required in this Agreement. At least thirty (30) days prior to expiration of any such policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing that Franchisee has procured proper renewal or replacement coverage with limits not less than those required by this Agreement and reflecting that Franchisor and its affiliates are additional insured under the policy on a primary and non-contributory basis as required herein. All Certificates will expressly provide that at least thirty (30) days' prior written notice will be given to Franchisor in the event of any alteration to, or cancellation of, the coverage evidenced by the Certificates of Insurance. Franchisee Indemnifying Parties' obligation to indemnify Franchisor Indemnified Parties are separate from and in addition to these insurance obligations. Franchisor, or its insurer, shall have the right to participate in discussions with Franchisee's insurance company or any claimant (in conjunction with Franchisee's insurance company) regarding any claim of liability, and Franchisee agrees to adopt Franchisor's reasonable recommendations to its insurance carrier regarding the settlement of any such claims.

(c) Should Franchisee for any reason fail to procure or maintain the insurance required by this Agreement, Franchisor will have the right and authority to immediately procure such insurance deemed to be necessary and to charge the amount of the cost to procure and maintain such insurance to Franchisee, along with a reasonable fee for Franchisor's expenses in procuring the insurance, Franchisor is authorized to collect from Franchisee all insurance related expenses paid on behalf of Franchisee through automatic EFT as provided for in Section 3 of this Agreement.

17. Termination.

(a) **Automatic Termination.** Franchisee shall be in default under this Agreement, and this Agreement and all rights granted to Franchisee herein shall automatically terminate without notice to Franchisee in the following events:

(i) Franchisee makes a general assignment for the benefit of creditors or a petition in bankruptcy is filed by Franchisee;

(ii) a petition in bankruptcy is filed against and not opposed by Franchisee;

(iii) Franchisee is adjudicated as bankrupt or insolvent;

(iv) a bill in equity or other proceeding is filed for the appointment of a receiver or other custodian for Franchisee's business or assets if filed and consented to by Franchisee;

(v) a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction;

(vi) proceeding for a composition with creditors under any state or federal law should be instituted by or against Franchisee;

(vii) a final judgment remains unsatisfied or of records for thirty (30) days or longer (unless an appeal or supersedeas bond is filed);

(viii) Franchisee is dissolved;

(ix) any portion of Franchisee's interest in the Franchised Business becomes subject to an attachment, garnishments, levy or seizure by any credit or any other person claiming against or in the rights of Franchisee;

(x) execution is levied against Franchisee's business or property; or

(xi) the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

(b) **Termination with Notice; No Opportunity to Cure.** Franchisee shall be in default and Franchisor may, at its option, terminate this Agreement and all rights granted herein, without affording Franchisee any opportunity to cure the default, effective upon the date the notice is deemed received pursuant to Section 22, and in no event longer than five (5) days after Franchisor sent the notice, upon the occurrence of any of the following events:

(i) Franchisee at any time abandons the Franchised Business, meaning Franchisee has deserted, walked away from, or closed the Franchised Business under circumstances leading Franchisor to conclude that Franchisee has no intent to resume the Franchised Business' operations, regardless of the number of days that have passed since the apparent abandonment; or

(ii) Franchisee ceases to operate the Franchised Business, or fails to respond to Franchisor's communications for a period of three (3) consecutive days without Franchisor's prior written permission;

(iii) Franchisee forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located;

(iv) Except as otherwise permitted in this Agreement, any Owner of more than twenty-five percent (25%) interest in Franchisee transfers all or part of such interest or Franchisee transfers any interest in the Franchised Business, a material portion of the assets of the Franchised Business or Franchisee;

(v) Franchisee, the Operations Manager, or an Owner of more than twenty-five percent (25%) of Franchisee (a) is proven to have engaged in fraudulent conduct, (b) is convicted of, or pleads guilty or no contest to a felony or a crime involving moral turpitude,

or (c) is convicted of, or pleads guilty or no contest to any other crime or offense that is reasonably likely to have an adverse effect on the Chain, the System, the Marks or the goodwill associated therewith; provided, that if the act or conviction involves an Owner of Franchisee, Franchisor will not terminate this Agreement if Franchisee notifies Franchisor promptly after it learns of the event constituting the default, and within fifteen (15) days of the date of the notice, either (a) the person or entity that committed the wrongful act divests his or its entire interest in Franchisee, or (b) Franchisee obtains Franchisor's consent for such Owner to maintain his or its ownership interest;

(vi) An approved transfer is not effected within six (6) months of the death or disability of any individual Franchisee or any Owner of Franchisee;

(vii) Twice within a twelve (12) month period or three (3) times within a three (3) year period, Franchisee is given notice of being in default under any of the terms or requirements of this Agreement, whether or not such defaults are timely cured after notice;

(viii) Franchisee fails to comply with any of the covenants of Franchisee set forth in this Agreement;

(ix) Franchisee makes any material misrepresentation to Franchisor, or breaches any warranty or representation made to Franchisor, whether in this Agreement or otherwise;

(x) Franchisee knowingly or intentionally maintains false books or records or knowingly submits any false records, statement or report to Franchisor;

(xi) Franchisee, or its Owners, by act or omission, materially impairs the value of, or the goodwill associated with, the Chain, any of the Marks or the System;

(xii) Franchisee takes, withholds, misdirects, or appropriates for Franchisee's own use any funds from Franchisee's employees' wages for employees' taxes, FICA, insurance or benefits, or generally fails to deal fairly and honestly with Franchisee's employees or clients;

(xiii) Franchisee loses or is denied any federal, state or local license the Franchisee must possess in order to operate the Franchised Business, including any Personal Care License;

(xiv) Franchisee is found liable by any judicial, administrative, or arbitral body for violation of federal, state, or local laws barring discrimination on the basis of race, sex, national origin, age or sexual orientation, or is found liable for any common law civil claim the facts of which are grounded in allegations of discrimination on the basis of race, sex, national origin, age, or sexual orientation;

(xv) Franchisee fails to rectify diligently any order issued by a governmental or regulatory authority concerning breach of any health, safety or other regulation or legal

requirement applicable to the Franchised Business within the time frame required by the government authority, or Franchisee fails to rectify a violation of health and safety law or regulation within forty-eight (48) hours of notice from Franchisor;

(xvi) Franchisee fails to open the Franchised Business within three (3) months following the execution of this Agreement;

(xvii) Franchisee, or any Owner, commits acts of abuse, abuse of clients, uses employees who do not meet Franchisor's then-current standards and training requirements, has drug or alcohol problems, or permits unlawful activities at Franchisee's business;

(xviii) Franchisee, after curing a default pursuant to this Section 17 of this Agreement, commits the same act of default again within six (6) months;

(xix) Franchisee operates under any trademark not approved by Franchisor or otherwise uses any trademark not approved by Franchisor in the operation of the Franchised Business;

(xx) Franchisee fails to meet the Minimal Performance Standards for any year following the first full year after the Franchise Business is operational, and Franchisor, in its sole discretion, decides that it will not offer additional training; or

(xxi) Any of the following occur prior to the opening of the Franchised Business (1) any representations or warranties of Franchisee and/or the Operations Manager prove to be inaccurate or false, (2) the Operations Manager fails to take or pass any of Franchisor's required training, (3) the Operations Manager and/or Franchisee fails to pass any credit or character check performed by or on behalf of Franchisor, and/or (4) Operations Manager and/or Franchisee fail to timely or diligently perform any duties or obligations during the period prior to the opening date.

(c) **Termination After Failure to Cure**. Except for those defaults provided for under Section 17(a) or 17(b), Franchisee shall be in default hereunder for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures or requirements imposed by this Agreement, including any Brand Standards Manual or other written document provided by Franchisor, or to carry out the terms of this Agreement in good faith. For such defaults, Franchisor will provide Franchisee with written notice and, to the extent curable, fifteen (15) days to cure or, if a default cannot reasonably be cured within fifteen (15) days, to initiate within that time substantial and continuing action to cure such default and to provide Franchisor with evidence of such actions. If the defaults specified in such notice are not cured within the fifteen (15) day period, if substantial and continuing action to cure has not been initiated, or if the default is not curable, Franchisor may, at its option, terminate this Agreement upon written notice to Franchisee.

Such defaults shall include, without limitation, the occurrence of any of the following events:

(i) Franchisee fails to find and obtain Franchisor's written acceptance of a Location or to secure an accepted Premises under a Lease that Franchisor accepts on or before the required deadline for each such step specified in Section 6(a) and Section 6 (b) to develop, open, and commence operating the Franchised Business in compliance with this Agreement within three (3) months of the Effective Date;

(ii) Franchisee fails to construct or remodel the Premises in accordance with this Agreement;

(iii) Franchisee fails, refuses, or neglects to promptly pay any monies owing to Franchisor or its affiliates any fee or Brand Fund contribution when due or to submit the financial or other information required under this Agreement;

(iv) Any Owner of twenty five percent (25%) or less of Franchisee makes a transfer of such interest in violation of this Agreement; provided, however, that Franchisee's right to cure such a default shall be conditioned upon Franchisee immediately notifying Franchisor of the improper transfer and taking all actions necessary to either (a) obtain Franchisor's approval thereof, or (b) if approval is not desired or the transfer or transferee is not approved by Franchisor, to re-acquire the interest so transferred;

(v) The operation of the Franchised Business presents a health or safety hazard to the public or to clients, employees, or independent contractors;

(vi) Franchisee or any of its Owners or employees misuses or makes any unauthorized use of the System or the Marks;

(vii) Franchisee maintains false books or records, or submits any false reports to Franchisor;

(viii) Franchisee submits to Franchisor on two (2) or more separate occasions at any time during the Term or any renewal hereof, any reports or other data, information or supporting records which understate the Gross Revenues of the Franchised Business, the royalties, and/or any other sums owed to Franchisor for any period of, or periods aggregating, three (3) or more weeks, and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

(ix) Franchisee fails to make prompt payment of undisputed bills, invoices or statements from suppliers of products and services or fails to maintain a good credit rating;

(x) Franchisee fails to obtain Franchisor's prior permission to conduct any out-of-Territory activities or Franchisee fails to cease any out-of-Territory activities upon notice from Franchisor;

(xi) Franchisee fails to comply with any supplier of Technology material requirements for use of the Technology, including Franchisor's or Franchisor's affiliates' requirements if Franchisor is a supplier;

(xii) Franchisee offers any unauthorized and unapproved products at, from or through the Franchised Business;

(xiii) Franchisee fails to maintain the strict quality controls reasonably required by this Agreement or the Brand Standards Manual;

(xiv) Franchisee fails to obtain background checks for its employees or independent contractors or permits employees or independent contractors to work without any licenses required by law;

(xv) Franchisee accepts payments in forms other than cash, credit card, or private long-term care insurance without receiving Franchisor's prior written permission; or

(xvi) Franchisee fails to serve National Account customers or other clients in accordance with Franchisor's service standards.

(d) **Third-Party Disclosure Authorization**. Franchisee hereby authorizes Franchisor to notify any lender, creditor, client, vendor, or landlord of the Franchisee or Franchised Business upon the occurrence of any default under this Section 17, or any event or circumstances which the giving or notice or passage of time or both would constitute an event of default under this Section 17, and to otherwise communicate with such lenders, creditors, clients, vendors, or landlords with respect to any such default, or any such event or circumstance.

(e) **Relief in Equity.** Franchisee agrees that neither termination of this Agreement, nor an action at law, nor both, would be an adequate remedy for a breach or default by Franchisee, or by any other persons bound by this Agreement, in the performance of any obligation relating to Franchisor's Marks or indicia, the trade secrets revealed to Franchisee in confidence pursuant to this Agreement or the obligations of Franchisee and such other persons upon and after termination of this Agreement. The parties therefore agree that in the event of any such breach or default, in addition to all other remedies provided elsewhere in this Agreement or by law, Franchisor shall be entitled to relief in equity from a judge or arbitrator, at its option, (including a temporary restraining order, temporary or preliminary injunction and permanent mandatory or prohibitory injunction) to restrain the continuation of any such breach or default or to compel compliance with such provisions of this Agreement.

(f) **Termination by Franchisee.** If Franchisor fails to perform any material obligation imposed upon it by this Agreement, and such failure is not cured within ninety (90) days after Franchisee delivers written notice of such failure to Franchisor, then, provided Franchisee is otherwise compliant with Franchisee's obligation under this Agreement and any other agreement with Franchisor, Franchisee may terminate this Agreement at any time thereafter by delivering thirty (30) days' written termination notice to Franchisor. If Franchisee terminates this Agreement under this provision, Franchisee must follow the post-termination procedures as set forth in Article 18 for the orderly wind-down of the Franchised Business during the thirty (30) day period.

(g) Limitation of Services or Benefits; Territory Modification. The Franchisor shall have the right, but not the obligation, to temporarily or permanently limit or remove certain services or benefits provided or required to be provided to Franchisee hereunder in lieu of exercising its right to terminate this Agreement pursuant to the terms hereof, including, without limitation, eliminating Franchisee's right to use the Franchisor's website free of charge (or other Online Presence), restricting or removing Franchisee's right to purchase products directly or indirectly from the Franchisor or its affiliates, limiting the Franchisor's advertising and promotional assistance, and restricting or removing Franchisee's right to use the Technology. Nothing in this subsection constitutes a waiver of any other right or remedy of the Franchisor under this Agreement. Franchisee acknowledges that the Franchisor's exercise of its rights pursuant to this subsection shall not be deemed a constructive termination. If Franchisee defaults under this Agreement, Franchisor has the right to modify Franchisee's Territory and the protections described in Section 5. Any services or benefits removed or limited pursuant to this subsection may be reinstated at any time in the Franchisor's sole discretion.

(h) Cross-Defaults. Any default by Franchisee (or any Owner or affiliate of Franchisee) under this Agreement shall be a default under any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any Owner or affiliate of Franchisee). Any such default under any other agreement or any other obligation between Franchisor (or any affiliate of Franchisor) and Franchisee (or any Owner or affiliate of Franchisee) shall be a default under this Agreement. Any default by Franchisee (or any Owner or affiliate of Franchisee) under any lease, sublease, loan agreement, or security interest may be regarded as a default under this Agreement, regardless of whether or not any such agreements are between Franchisee (or any Owner or affiliate of Franchisee) and Franchisor (or any affiliate of Franchisor).

(i) Extended Cure Period. Notwithstanding anything to the contrary in this Agreement, Franchisor reserves the right to grant to Franchisee in Franchisor's sole discretion an extended cure period for any breach. Franchisee acknowledges that Franchisor's decision to grant such an extended cure period shall not operate as a waiver of any of Franchisor's rights and that Franchisor may choose to condition such an extension upon the signing of a general release by Franchisee and its Owners and guarantors, and their respective predecessors, affiliates, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns. If any law applicable to this Section or competent governmental authority having jurisdiction over this Franchised Business and the parties hereto shall limit Franchisor's rights of termination hereunder or shall require a longer notice period prior to termination of this Agreement than is specified in this Agreement, this Agreement shall be deemed amended to satisfy the minimum notice periods or restrictions upon such termination require by such laws; provided, however, that such constructive amendment shall not be deemed a concession by Franchisor that the grounds for termination set forth herein do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law. Franchisor shall not be precluded from contesting the validity, enforceability, or application of such laws or regulations in any action, hearing, or proceedings relating to this Agreement or the termination thereof.

(j) Noncompliance. Without waiving any rights that Franchisor may have, and in Franchisor's sole discretion, Franchisor may elect not to terminate Franchisee's franchise

agreement as a result of a default. In the event a default occurs, Franchisor may elect to give written notification (a "Notice of Noncompliance") to Franchisee that the Franchised Business is not in compliance with the terms and conditions of this Agreement. Such Notice of Noncompliance shall state a period for Franchisee to cure the noncompliance, which shall be a period not less than thirty (30) days. For a period of six (6) months from and after the date of such Notice of Noncompliance, Franchisee shall reimburse Franchisor for reasonable costs that Franchisor incurs with respect to the Franchised Business, including without limitation the costs of any audit or inspection of the Franchised Business in excess of Franchisor's audit program, any mystery shopping for the Franchised Business during such six (6) month period in excess of Franchisor's normal mystery shopping program applied to all Franchised Businesses, additional training that Franchisor determines is required to bring the Franchised Business up to Franchisor's standards, and any personnel costs incurred by Franchisor at the Franchised Business site to ensure the proper management and operation of the Franchised Business. Nothing in this subsection shall limit Franchisor's termination rights as otherwise set forth in this Agreement, which Franchisor reserves the right to exercise at any time.

(k) **Damages**. Franchisee shall promptly reimburse Franchisor, upon request, for any and all damages, costs, losses, and expenses (whether internal and external), including reasonable attorneys' fees, incurred by Franchisor in enforcing its rights or Franchisee's obligations under this Agreement arising from or relating to any default by Franchisee under this Agreement. Franchisee's obligation to reimburse Franchisor arises whether or not Franchisor begins a formal legal proceeding against Franchisee to enforce this Agreement. If Franchisor does begin a formal legal proceeding against Franchisee to enforce this Agreement, the reimbursement obligation applies to all costs and expenses Franchisor incurs preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has come to a complete end (including appeals and settlements).

18. Obligations upon Termination, Non-Renewal, or Expiration.

(a) Upon termination, non-renewal, or expiration of this Agreement for any reason, all rights granted hereunder to Franchisee shall terminate and revert to Franchisor, and Franchisee shall have the following obligations with respect to the Franchised Business:

(i) Franchisee shall immediately cease to operate the business licensed under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a CARE WITH LOVE franchisee with respect to such business.

(ii) Franchisee shall immediately and permanently cease to use, in any manner whatsoever, all trade secrets, Confidential Information, methods, procedures and techniques used by or associated with the System, and the proprietary Marks CARE WITH LOVE and all other trademarks and distinctive forms, slogans, signs, symbols, logos and devices associated with the CARE WITH LOVE Chain.

(iii) Franchisee shall immediately and permanently cease to use, in any manner whatsoever, the Mark "CARE WITH LOVE" and all other Marks and distinctive forms, slogans, signs, symbols, logos, trade dress, décor, branding materials, inventory, custom

designs on vehicles, t-shirts, clothing, and devices associated with the CARE WITH LOVE Chain and System. If Franchisor does not exercise its right to purchase as described in Section 18(b), Franchisee shall de-identify the Franchised Business, Premises, and vehicles fifteen (15) days' notice from Franchisor that Franchisor is not going to exercise its rights. Such de-identification procedures shall include, without limitation, removing all references to CARE WITH LOVE; complying with Franchisor's instructions to remove all CARE WITH LOVE Marks, trade dress, branding items, signage, color schemes, fixtures, equipment, and décor; eliminating any use of the Marks from the Franchised Business, Premises, and vehicles; and taking any other actions reasonably requested by the Franchisor to remove CARE WITH LOVE Marks and trade dress. In addition, Franchisee understands and agrees that it shall immediately repaint any and all vehicles that show markings similar to, or that would cause confusion of the public as misrepresenting, any connection to Franchisor or the System. Franchisee shall be solely responsible for all costs and expenses incurred in connection with deidentification of the Franchised Business, Premises, and vehicles.

(iv) Franchisee shall immediately return to Franchisor any property held or used by Franchisee which is owned by Franchisor, and shall cease to use, and either destroy or convey to Franchisor, all signs, advertising materials, stationery, forms and any other materials that bear or display the Marks. Franchisee shall deliver to Franchisor all login credentials associated with any Technology, directory, marketing, Online Presence, point-of-sale, social media, and all other accounts and systems affiliated with the Franchised Business.

(v) Franchisee shall take such actions as may be necessary to cancel any assumed name or similar registration which contains the mark CARE WITH LOVE or any other Marks of Franchisor, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with its obligation within fifteen (15) days after termination, non-renewal, or expiration of this Agreement.

(vi) Franchisee shall promptly pay all sums owed to Franchisor upon request. Such sums shall include all damages, costs, losses, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default and the termination under this Agreement. Any outstanding obligations to Franchisor shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by Franchisee located on the Premises on the date this Agreement is terminated, expires, or does not renew. Within fifteen (15) days of the date of expiration, termination, or non-renewal of this Agreement, Franchisee shall pay in full all of the creditors and suppliers to the Franchised Business.

(vii) Franchisee shall promptly pay to Franchisor all damages, costs and expenses including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination, non-renewal, or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any term, covenant or provision of this Agreement.

(viii) Franchisee shall immediately deliver to Franchisor all Brand Standards Manual, policy and procedure statements, instructions, and other materials related to operating the Franchised Business, including, without limitation, Franchisee Data, marketing collateral, brochures, charts and any other materials provided by Franchisor and all copies thereof, and shall neither retain nor convey to another any copy or record of any of the foregoing.

(ix) Franchisor shall have the option, to be exercised within thirty (30) days of termination, expiration, or non-renewal of this Agreement, to assume Franchisee's assumed name or equivalent registration and business licenses, telephone numbers, white and yellow pages and online telephone directory listings and advertisements, and e-mail addresses and/or Online Presences, and Franchisee shall sign all documents necessary to permit Franchisor to assume Franchisee's rights in such items. Franchisee shall not, directly or indirectly, post, publish, or disseminate any announcement, statement, or communication on any Online Presence, or otherwise direct or attempt to direct any followers, customers, or contacts associated with such Online Presence, to any new social media account or to any business other than the Franchised Business, including any Competitive Business. If Franchisor elects not to exercise this option, Franchisee shall take all action necessary to cancel each of the items listed above and shall furnish Franchisor with evidence satisfactory to prove its compliance within fifteen (15) days after receiving notice of Franchisor's termination or expiration of this Agreement and the expiration of the option granted herein. In the event Franchisee fails to timely do so, Franchisor shall have the right, for which purpose Franchisee hereby appoints Franchisor as its attorney-in-fact, to obtain such cancellation on Franchisee's behalf and at Franchisee's expense.

(x) Franchisee shall comply with the covenants contained in this Agreement, including, but not limited to, the covenants against unfair competition and the covenants not to disclose trade secrets or Confidential Information.

(xi) Franchisee shall comply with Franchisor's instructions relating to the Technology, computer systems, Franchisee Data, and the Client List.

(xii) If Franchisor does not exercise its right to purchase as described in Section 18(b), Franchisee shall de-identify the Premises and any vehicles used in the operation of the Franchised Business, which de-identification procedures shall include removing all references to CARE WITH LOVE and removing any uses of the Marks.

(xiii) Subject to any applicable state or federal laws, provide at Franchisor's request and in the manner Franchisor designates, all Client Lists and client records and work cooperatively to transfer all clients to service provider(s) approved by Franchisor. At Franchisor's request, provide Franchisor with a copy of each client agreement for the Franchised Business and any related information Franchisor requests, and provide Franchisor with all other information and access necessary for Franchisor (or its designee) to continue servicing the client and related business relationships within three (3) days from our request at no cost to Franchisor. To this end, each client agreement must include a

clause providing Franchisor the unconditional right (but not an obligation) to assume (directly or through a designee) the client agreement upon the termination, non-renewal, or expiration of this Agreement, including all of Franchisee's rights and obligations thereunder that arise from and after such assumption. Upon the expiration, non-renewal, or termination of this Agreement, Franchisee agrees to facilitate Franchisor's conversations with clients to ensure an orderly transition of the business operations. Franchisee agrees to pay over to Franchisor (or its designee) any amounts (or a pro rata portion of any amounts) paid to Franchisee by Franchisee's clients for services that Franchisee has not yet performed;

(xiv) Franchisee shall, if Franchisor so requests, assign to Franchisor any interest which Franchisee has in any lease for the Premises. In the event Franchisor does not elect to exercise its option to acquire any lease for the Premises, and unless otherwise directed by Franchisor, Franchisee shall, within ten (10) days after termination or expiration of this Agreement, make such modifications and alterations to the Premises as may be necessary to distinguish the appearance of the Premises from that of other CARE WITH LOVE businesses and shall make such specific additional changes thereto as Franchisor may reasonably request.

(b) Right to Purchase.

(i) If Franchisor requests, Franchisee shall sell to Franchisor all of Franchisee's right, title, and interest in the Franchised Business, including any assets, inventory, and supplies used in connection with the operation of Franchisee's Franchised Business. Franchisor has the right, but not the obligation, to exercise this right by providing Franchisee written notice of Franchisor's election within sixty (60) calendar days after the termination, non-renewal, expiration, or amendment of this Agreement and paying Franchisee the book value for such assets (the "Purchase Price") within sixty (60) calendar days of such notice. For purposes of this paragraph, "book value" means the amount Franchisee actually paid for the asset less depreciation (calculated by using the straight-line depreciation method on a ten (10) year depreciation schedule irrespective of the depreciation method or schedule Franchisee uses for accounting purposes). Notwithstanding the foregoing, to the extent that Franchisor exercises Franchisor's right to purchase any asset that is subject to a lease or finance agreement, the Purchase Price of such asset shall equal the amount of Franchisee's remaining obligations under the lease or finance agreement, as applicable. Franchisor shall be entitled to offset the Purchase Price and apply any amounts due to Franchisee pursuant to this subsection against any and all other amounts which may be due from Franchisee to Franchisor, including interim operational sums.

(ii) If the parties cannot agree upon the Purchase Price within a reasonable time, an independent appraiser shall be designated by Franchisor, and his determination of the Purchase Price shall be binding on Franchisor and Franchisee. The cost of such appraisal shall be borne by the Franchisee.

(iii) If Franchisor exercises its option to purchase the Franchised Business, the Purchase Price shall be payable as follows:

(a) Ten percent (10%) of the Purchase Price shall be paid at the closing of the purchase transaction by bank or certified check.

(b) The balance of the Purchase Price shall be paid over a period of three (3) years in thirty-six (36) equal monthly installments, the first monthly installment being made on the tenth (10th) day of the month following the month in which the initial payment is made. The obligation to make monthly installment payments shall be evidenced by a series of thirty-six (36) negotiable promissory notes of the Franchisor payable to the order of the Franchisee, each bearing interest from the date of the closing at the published "Prime Rate" charged by Chase Manhattan Bank, New York, New York, to its most substantial commercial customers and containing provisions to the effect that should any note be unpaid for more than ten (10) days after written notice of default, the remaining notes shall forthwith become due and payable without any further notice; provided, however, that the Franchisor or any holder in due course shall have the right at any time after the calendar year in which the closing takes place to prepay the notes in multiples of One Thousand Dollars ($1,000) in inverse order of maturity, together with interest to the date of payment.

(iv) If Franchisor exercises Franchisor's option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the Franchised Business, or Franchisor may require that Franchisee close the Franchised Business during such period without removing any assets. Franchisee is required to maintain in force all insurance policies required under this Agreement until the date of such closing. Franchisee agrees to fully cooperate in effectuating the transaction described in this Section 18(b) and undertakes to use his/her best efforts to provide Franchisor and its designees with all such data and documentation as reasonably may be required to give effect to the purposes of this Section. Franchisor has the unrestricted right to assign this option to purchase the Franchised Business. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of Franchisee's assets, including, without limitation, representations and warranties as to ownership and condition of and title to the assets; liens and encumbrances on the assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise. Franchisor may purchase all or only a portion of the assets of the Franchised Business and may exclude from its purchase any assets or cash, for any reason, in Franchisor's sole discretion.

(v) In the event Franchisor does not elect to exercise the foregoing option to purchase the Franchised Business, Franchisee shall immediately return to Franchisor all materials which bear any of the Marks, trade names or copyrighted material. Franchisee shall also destroy any and all materials not otherwise required to be returned to Franchisor in accordance with this Agreement or the Brand Standards Manual. Contemporaneously,

Franchisee shall return to Franchisor all copies in his/her possession of materials and documents (including, among other things, the Brand Standards Manual, corporate records and files, correspondence, brochures, agreements, and disclosure statements) relating to the grant or operation of the Franchised Business.

(c) Liquidated Damages. Franchisee and Franchisor agree that it would be difficult if not impossible to determine the amount of damages that Franchisor would suffer due to a termination of this Agreement because of Franchisee's default or termination without cause, including, without limitation, the difficulty of determining what costs, if any, Franchisor may have saved and how the Royalty would have grown during the remainder of the Initial Term. Therefore, Franchisee and Franchisor agree that a reasonable estimate of those damages (as liquidated damages and not as a penalty) is the net present value of an amount equal to the average of the preceding twenty-four (24) months of Royalty fees due and payable pursuant to Section 3(a)(ii), multiplied by the lesser of (i) twenty-four (24) or (ii) the number of full months (pro-rated for partial months) left in the Initial Term or any Renewal Term of this Agreement. Franchisee shall pay such liquidated damages together with all other amounts owed under this Agreement, within fifteen (15) days after the effective date of termination. Franchisee shall pay all costs, expenses and attorneys' fees incurred by Franchisor in enforcing the terms and conditions of this provision. The parties acknowledge and agree that this liquidated damages provision represents a reasonable, good-faith pre-estimate of Franchisor's damages arising solely from the loss of future Royalty revenue and resulting cash flow. This liquidated damages provision does not cover, and is not intended to compensate Franchisor for, any other damages, including damages arising from Franchisee's breach of other provisions of this Agreement or damages to the System or CARE WITH LOVE Brand. Nothing contained herein shall be construed as prohibiting Franchisor from additionally pursuing any other remedies which may be available to Franchisor for such breach, including recovery of actual damages.

(d) Tail Insurance. Franchisee shall acquire tail insurance coverage in the amounts and for the period designated by Franchisor. Franchisor has the right to require that the insurance obtained complies with the requirements in Section 16(b) and other terms in the Brand Standards Manual.

(e) Access Right. In the event Franchisee does not comply with the above requirements, Franchisor may enter the Premises, without being guilty of trespass and without incurring any liability to Franchisee, to undertake these post-termination obligations, including removing all signs, trade dress, equipment, and other items identifying the Premises as a CARE WITH LOVE business and to make such other modifications as are reasonably necessary to protect the Marks and the CARE WITH LOVE System and to distinguish the Premises from CARE WITH LOVE business.

19. Independent Contractor; Indemnification.

(a) <u>Independent Contractor</u>. It is understood and agreed by the parties that this Agreement creates only a contractual relationship between the parties subject to the normal rule of contract law. This Agreement does not create a fiduciary relationship between the parties and Franchisee is and shall remain an independent contractor. Franchisee agrees to hold itself out to the public as an independent contractor, separate and apart from Franchisor. Neither Franchisor

nor Franchisee intends that anything in this Agreement, or any aspect of their relationship, will make either of them a general or special agent, joint venturer, partner, or employee of the other for any purpose. Nor is Franchisor or its affiliates the employer or joint employer of the Franchised Businesses' employees. Franchisee agrees that it shall not make any contract, agreement, warranty, or representation on the Franchisor's behalf without Franchisor's prior written consent, and Franchisee agrees that it shall not incur any debt or other obligation in Franchisor's name. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel, and other as the Franchised Business' independent owner, operator, and manager under a franchised Franchisor has granted and to place notices of independent ownership on the forms, business cards, stationary, advertising, marketing, and other materials Franchisor periodically requires. This Agreement shall not be deemed to confer any rights or benefits to any person or entity not expressly named herein.

(b) Indemnification.

(i) Franchisee's Obligation to Indemnify. Franchisee, Owners, and Guarantors ("Franchisee Indemnifying Parties") agree to fully protect, indemnify, defend, reimburse, and hold Franchisor; Franchisor's predecessors, parents, affiliates, and subsidiaries; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities (collectively, "Franchisor Indemnified Parties") harmless from and against all liabilities, losses, obligations, claims, demands, damages (consequential or otherwise), penalties, fines, costs, and expenses (including attorneys' fees) of any nature whatsoever (collectively, "Losses") incurred in connection with or as a result of any action, suit, proceeding, claim, demand, judgment, assessment, investigation, or formal or informal inquiry (whether or not reduced to judgment), or any settlement thereof, asserted, threatened, or brought by a third party, directly or indirectly arising out of the operation of the Franchised Business (collectively, "Action"), or arising from, any of the following: (1) Franchisee Indemnifying Parties' actual or alleged violation of any law, rule, regulation, or ordinance; (2) damage to property; (3) injury to or death or disability of any person; (4) negligence, recklessness, misconduct, or criminal conduct by the Franchisee Indemnifying Parties', the Operations Manager, or any of Franchisee's employees or agents; (5) data breaches; (6) Franchisee Indemnifying Parties' breach of this Agreement or any representations and warranties they make herein; (7) infringement of any intellectual property rights; (8) abuse of any kind; (9) any failure to warn or give instructions related to any products or services provided by Franchisor Indemnified Parties or by Franchisee; (10) any labor or employment law disputes relating to the Premise or the Franchised Business or claims arising out of Franchisee's employment practices, including claims that any of the Franchisor Indemnified parties are the employer, joint employer, or co-employer of Franchisee or Franchisee's agents, employees, or contractors; (11) any third party claim that arises from or is connected that explicitly or implicitly is premised on Franchisor's direct and vicarious liability or arises from Franchisee's employment and personnel decisions, including wrongful termination, wage and hour violations, and employee harassment and discrimination; (12) any acts, errors, or omissions of the Franchised Business, the Franchisee Indemnifying Parties, and their employees, contractors, and agents; (13) any

unlawful practice of medicine or medical care; (14) any third party claim that arises from or is connected with the ownership, establishment, use, non-use, possession, condition, operation, closure, or maintenance of the Premises, vehicles and the Franchised Business; (15) any losses, claims or damages incurred by persons, other than Franchisee, due to errors or omissions contained in financial statements prepared by Franchisee pursuant to this Agreement, even if caused by the negligence of Franchisee, its employees, agents, contractors, or others for whom Franchisee is, in law, responsible; and (16) any third party claim that arises from or is connected with any Online Presences or other online or digital content that are owned, operated, created, maintained, occupied, or controlled by or on behalf of Franchisee Indemnifying Parties in connection with the Franchised Business or the CARE WITH LOVE brand, including any defamatory, disparaging, or false statements or content published, posted, or otherwise disseminated through such channels. Franchisee Indemnifying Parties agree that this obligation to indemnify is regardless of the cause or concurrent or contributing fault or negligence of the Franchisor Indemnified Parties. Franchisee Indemnifying Parties hereby waive all claims against Franchisor Indemnified Parties arising from any of the foregoing. Franchisor Indemnified Parties shall not be liable for any act or omission of Franchisee Indemnifying Parties or their employees, contractors, or agents connected to or arising from the ownership, establishment, use, non-use, possession, condition, operation, or maintenance of the Premises and the Franchised Business.

(ii) Indemnification Procedures. Franchisee will also notify Franchisor by telephone of any Action within forty-eight (48) hours after such Action is initiated and in writing within four (4) days after such Action is initiated. Franchisor Indemnified Parties shall have the right, in their sole discretion, and at Franchisee's expense and risk, to: (1) retain counsel of their own choosing to represent them with respect to any claim; and (2) control the response thereto and the defense thereof, including the right to enter into settlements or take any other mitigating, remedial, corrective, or other actions they deem appropriate. Franchisee Indemnifying Parties must reimburse Franchisor Indemnified Parties for all of Franchisor Indemnified Parties' costs, expenses, and all attorneys' fees immediately upon Franchisor Indemnified Parties' request. Franchisee Indemnifying Parties shall not, without the prior written consent of the Franchisor Indemnified Party, (A) settle or compromise any claim or consent to the entry of any judgment with respect to any claim which does not include a written release from liability of such claim for the Franchisor Indemnified Parties, or (B) settle or compromise any claim in any manner that may adversely affect the Franchisor Indemnified Parties. Franchisee Indemnifying Parties agree to give their full cooperation to Franchisor Indemnified Parties in assisting with the defense of any such claim. Franchisor Indemnified Parties' undertaking of defense and/or settlement will in no way diminish Franchisee Indemnifying Parties' obligations to indemnify Franchisor Indemnified Parties and to hold Franchisor Indemnified Parties harmless. Under no circumstance will Franchisor Indemnified Parties be required to seek recovery from any insurer or other third party or otherwise mitigate Franchisor Indemnified Parties' or the third parties' losses to maintain a claim for indemnification against Franchisee Indemnifying Parties. Franchisee Indemnifying Parties agree that any failure to pursue recovery from third parties or mitigate loss will in no way reduce the amounts recoverable by Franchisor Indemnified Parties from Franchisee.

(iii) **Survival**. Any and all of the Franchisee Indemnifying Parties' indemnification obligations under this Agreement shall survive the expiration, non-renewal, or sooner termination of this Agreement.

(c) **Franchisee Employees.** Franchisor and its affiliates will not exercise direct or indirect control over the working conditions of the Franchised Business personnel, except to the extent such indirect control is related to Franchisor's legitimate interest in protecting the quality of the products, services, or CARE WITH LOVE System. Franchisor and its affiliates do not share or codetermine the terms and conditions of employment of the Franchised Business employees or affect matters relating to the employment relationship between Franchisee and its employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, Franchisee agrees to identify itself conspicuously in all dealings with the Franchised Business personnel as the employer of such personnel and that Franchisor, as the franchisor of CARE WITH LOVE businesses, and its affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchisee also must obtain an acknowledgment (in the form Franchisor specifies or approves) from all Franchised Business employees that Franchisee (and not Franchisor or its affiliates) is their employer.

20. Franchisee Representations.

(a) EVEN THOUGH THIS AGREEMENT CONTAINS PROVISIONS REQUIRING FRANCHISEE TO OPERATE THE FRANCHISED BUSINESS IN COMPLIANCE WITH FRANCHISOR'S SYSTEM: (1) FRANCHISOR OR FRANCHISOR'S AFFILIATES DO NOT HAVE ACTUAL OR APPARENT AUTHORITY TO CONTROL THE DAY-TO-DAY CONDUCT AND OPERATION OF FRANCHISEE'S BUSINESS OR EMPLOYMENT DECISIONS.

(b) IF FRANCHISEE IS A CORPORATION, A LIMITED LIABILITY COMPANY OR A PARTNERSHIP, FRANCHISEE MAKES THE FOLLOWING REPRESENTATIONS AND WARRANTIES: (1) FRANCHISEE IS DULY ORGANIZED AND VALIDLY EXISTING UNDER THE LAWS OF THE STATE OF ITS FORMATION; (2) FRANCHISEE IS QUALIFIED TO DO BUSINESS IN THE STATE OR STATES IN WHICH THE FRANCHISED BUSINESS IS LOCATED; (3) EXECUTION OF THIS AGREEMENT AND THE DEVELOPMENT AND OPERATION OF THE FRANCHISED BUSINESS IS PERMITTED BY ITS GOVERNING DOCUMENTS; AND (4) FRANCHISEE'S ARTICLES OF INCORPORATION, ARTICLES OF ORGANIZATION OR WRITTEN PARTNERSHIP AGREEMENT SHALL AT ALL TIMES PROVIDE THAT FRANCHISEE'S ACTIVITIES ARE LIMITED EXCLUSIVELY TO THE DEVELOPMENT AND OPERATION OF THE FRANCHISED BUSINESS.

(c) IF FRANCHISEE IS AN INDIVIDUAL, OR A PARTNERSHIP COMPRISED SOLELY OF INDIVIDUALS, FRANCHISEE MAKES THE FOLLOWING ADDITIONAL REPRESENTATIONS AND WARRANTIES: (I) EACH INDIVIDUAL HAS EXECUTED AN AGREEMENT WHEREBY THEY AGREE TO BE BOUND BY ALL THE TERMS OF THIS AGREEMENT; (II) EACH INDIVIDUAL SHALL BE JOINTLY AND SEVERALLY BOUND BY, AND PERSONALLY LIABLE FOR THE TIMELY AND COMPLETE PERFORMANCE AND ANY BREACH OF, EACH AND EVERY PROVISION OF THIS AGREEMENT; AND (III) NOTWITHSTANDING ANY TRANSFER FOR CONVENIENCE OF OWNERSHIP, PURSUANT TO THIS AGREEMENT, EACH INDIVIDUAL SHALL CONTINUE TO BE JOINTLY AND SEVERALLY BOUND BY, AND PERSONALLY LIABLE FOR THE TIMELY AND COMPLETE PERFORMANCE AND ANY BREACH OF, EACH AND EVERY PROVISION OF THIS AGREEMENT.

(d) IF FRANCHISEE IS A CORPORATION, A LIMITED LIABILITY COMPANY OR A PARTNERSHIP, FRANCHISEE HAS PROVIDED TO FRANCHISOR A CURRENT LIST OF ALL OWNERS AND FRANCHISEE AGREES THAT FRANCHISEE WILL ADVISE FRANCHISOR OF ANY AND ALL CHANGES IN OWNERSHIP.

(e) IF FRANCHISEE IS A CORPORATION, FRANCHISEE SHALL MAINTAIN STOP-TRANSFER INSTRUCTIONS AGAINST THE TRANSFER ON ITS RECORDS OF ANY VOTING SECURITIES, AND EACH STOCK CERTIFICATE OF THE CORPORATION SHALL HAVE CONSPICUOUSLY ENDORSED UPON ITS FACE THE FOLLOWING STATEMENT: "ANY ASSIGNMENT OR TRANSFER OF THIS STOCK IS SUBJECT TO THE RESTRICTION IMPOSED ON ASSIGNMENT BY FRANCHISOR, PURSUANT TO FRANCHISE AGREEMENT(S) TO WHICH THE CORPORATION IS A PARTY." IF FRANCHISEE IS A LIMITED LIABILITY COMPANY, EACH MEMBERSHIP OR MANAGEMENT CERTIFICATE OR OTHER EVIDENCE OF INTEREST IN FRANCHISEE SHALL HAVE CONSPICUOUSLY ENDORSED UPON ITS FACE THE FOLLOWING STATEMENT: "ANY ASSIGNMENT OR TRANSFER OF AN INTEREST IN THIS LIMITED LIABILITY COMPANY IS SUBJECT TO THE RESTRICTIONS IMPOSED ON ASSIGNMENT BY FRANCHISOR PURSUANT TO FRANCHISE AGREEMENT(S) TO WHICH THE LIMITED LIABILITY COMPANY IS A PARTY." IF FRANCHISEE IS A PARTNERSHIP, ITS WRITTEN AGREEMENT SHALL PROVIDE THAT OWNERSHIP OF AN INTEREST IN THE PARTNERSHIP IS HELD SUBJECT TO, AND THAT FURTHER ASSIGNMENT OR TRANSFER IS SUBJECT TO, ALL RESTRICTIONS IMPOSED ON ASSIGNMENT BY THIS AGREEMENT.

(f) FRANCHISEE ACKNOWLEDGES THAT IT RECEIVED A COPY OF THE COMPLETE FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, THE ATTACHMENTS THERETO, AND THE AGREEMENTS RELATED THERETO, IF ANY, AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS SIGNED OR CONSIDERATION PAID.

(g) Franchisee covenants that during the Term, it will at all times faithfully, honestly and diligently perform its obligations under this Agreement, and that it will continuously exert its

best efforts to promote and enhance the business of the Franchised Business and other Franchised Businesses established and operated by Franchisee under the System.

(h) Franchisee and all guarantors hereof acknowledge and agree that the obligations regarding the use of Confidential Information and trade secrets set forth in this Agreement will apply throughout the Term and after the expiration, non-renewal, or termination of this Agreement for any reason, without limitation as to time or geographic scope. Franchisee covenants that upon termination, non-renewal, or expiration of this Agreement for any reason, Franchisee will immediately and permanently cease to use, in any manner whatsoever, any Confidential Information, trade secrets, methods, procedures and techniques associated with the System.

21. Governing law, Jurisdiction and Venue.

(a) **Actions.** The term "Action" as referred to in this Section 21, means any claim, counterclaim, action, proceeding, lawsuit, arbitration, dispute, or controversy, whether in law or in equity, arising from or related to this Agreement, any agreement between Franchisee (or its Owners, affiliates, and guarantors) and Franchisor (or its affiliates) relating to the Franchised Business, the rights, performance, and obligations of Franchisor and Franchisee under such agreements, the interpretation, validity, or enforceability of such agreements, the sale of the franchise, the relationship between Franchisor and Franchisee (and its Owners, affiliates, and guarantors).

(b) **Mediation.** Before Franchisee (or any of its Owners, guarantors, or affiliates) and Franchisor (or its affiliates) may bring an Action against the other, the parties must first meet to mediate the dispute (except as otherwise provided below). Any such mediation shall be non-binding. Mediation shall be (i) conducted by a mediator mutually agreeable to the parties who has franchise law experience, (ii) conducted in accordance with the American Arbitration Association rules for mediation of commercial disputes and (iii) held in the city of Franchisor's then-current principal place of business (currently Fairfax, Virginia). Nevertheless, the parties may mutually agree on a mediator, venue, and/or procedures for mediation. The mediation shall be commenced by the party requesting mediation ("complainant") providing written notice of the request for mediation ("request") to the party with whom mediation is sought ("respondent"). The request shall specify with reasonable particularity the matter or matters on which mediation is sought. A copy of the request shall be given by the complainant simultaneously to Franchisor if Franchisor is not a complainant or respondent. Mediation commenced under this Section 21(b) shall be concluded within sixty (60) days of the issuance of the request or such longer period as may be agreed upon by the parties in writing. All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatever. Complainant and respondent shall each bear its own costs of mediation, and each shall bear one-half the cost of the mediator or mediation service.

(c) **Arbitration.** Franchisee acknowledges that it has and will continue to develop a substantial and continuing relationship with Franchisor at its principal offices in the State of Virginia, where Franchisor's decision-making authority is vested, franchise operations are conducted and supervised, and where Agreement was rendered binding. Therefore, the parties agree that, to the extent that any Actions cannot be resolved directly between Franchisee and

Franchisor, and following compliance with the applicable mediation requirements set forth in Section 21(a) above, any Action arising out of or relating to this Agreement or the making, performance, or interpretation thereof shall upon thirty (30) days written notice by either party be resolved, except as elsewhere expressly provided in this Agreement, upon application by any such party by binding arbitration in the city of Franchisor's then-current principal place of business (currently, Fairfax, Virginia, in accordance with the Federal Arbitration Act under the Commercial Arbitration Rules then prevailing of the American Arbitration Association, including without limitation the Optional Rules for Emergency Measures of Protection ("AAA"), and not under any state arbitration laws, and judgment on the arbitration award may be entered in any court of competent jurisdiction. Franchisee and Franchisor agree that arbitration shall be conducted on an individual - not a class-wide basis. The Federal Arbitration Act shall apply to all arbitration and arbitration venue questions. Any award by the arbitrator(s) shall be final, binding and non-appealable, except for errors of law. The matter shall be heard by one (1) arbitrator mutually selected by the parties who shall have at least ten (10) years' experience in practicing franchise law during which franchise law is or has been their primary area of practice and shall have substantial experience in the preparation of franchise agreements and franchise disclosure documents. Franchisee understands that by agreeing to arbitrate it gives up jury and appeal and other rights it might have in court.

(d) **Injunctive Relief.** Notwithstanding the provisions of Section 21(a) and (b) above, Franchisee agrees that Franchisor, at its option, will have the right to seek preliminary injunctive relief from a court of competent jurisdiction, to restrain any conduct by Franchisee, the Owners, or the guarantors that (i) could materially damage the good will associated with the System, the Marks, and the Chain (including but not limited to conduct related to trademark or other intellectual property infringement), (ii) that involves the disclosure or use of Franchisor's Confidential Information, including but not limited to the Client List, or (iii) that relates to Franchisee's, the Owners', or a managerial employee's covenants against unfair competition or solicitation, provided that if Franchisee counters, as Franchisee may, by initiating arbitration, Franchisor agrees to arbitrate the entire dispute thereafter except preliminary injunctive relief (and permanent injunctive relief also, if Franchisee will not agree that the preliminary injunction shall remain effective indefinitely until the arbitrator shall dissolve it), leaving the court action pending, if it chooses, to facilitate enforcement. Franchisee agrees Franchisor will not be required to post a bond to obtain any injunctive relief with respect to use of the Marks.

(e) **Attorneys' Fees and Costs.** The in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, any lease or sublease for the Franchised Business or Site, the parties' relationship, or the Franchised Business will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in the prosecution or defense of any such claim, lawsuit, litigation or arbitration.

(f) **JURY TRIAL AND CLASS ACTION WAIVER.** FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT BY FRANCHISOR (AND ITS AFFILIATES, IF APPLICABLE) AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE). NEITHER FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) NOR FRANCHISOR SHALL SEEK TO BRING AN

ACTION AGAINST ANY OF THE OTHER PARTIES EITHER AS A REPRESENTATIVE OF, OR ON BEHALF OF, ANY OTHER PERSON, CLASS, OR ENTITY. NO ACTION SHALL ADD AS A PARTY, BY CONSOLIDATION, JOINDER, OR IN ANY OTHER MANNER, ANY PERSON OR PARTY OTHER THAN FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) AND FRANCHISOR (AND ITS AFFILIATES, IF APPLICABLE) AND ANY PERSON IN PRIVITY WITH, OR CLAIMING THROUGH, IN THE RIGHT OF, OR ON BEHALF OF, THEM, UNLESS BOTH FRANCHISEE AND FRANCHISOR CONSENT IN WRITING. FRANCHISOR HAS THE ABSOLUTE RIGHT TO REFUSE SUCH CONSENT. FRANCHISEE (AND ITS OWNERS, GUARANTORS, AND AFFILIATES, AS APPLICABLE) AGREES AND ACKNOWLEDGES THAT ANY ACTION WILL BE CONSIDERED UNIQUE ON ITS FACTS AND SHALL NOT BE BROUGHT AS A CLASS OR GROUP ACTION. FRANCHISEE (AND ITS OWNERS, GUARANTORS, AND AFFILIATES, AS APPLICABLE) MAY NOT BRING ANY ACTION ON A CLASS-WIDE BASIS (OR JOIN ANY THIRD-PARTY CLAIM).

(g) WAIVER OF CERTAIN DAMAGES. EXCEPT FOR FRANCHISEE INDEMNIFYING PARTIES' OBLIGATIONS TO INDEMNIFY FRANCHISOR INDEMNIFIED PARTIES UNDER THIS AGREEMENT AND ACTION FRANCHISOR BRINGS AGAINST FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) FOR UNAUTHORIZED USE OF THE MARKS, UNAUTHORIZED USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION, OR BREACH OF NON-COMPETITION OR NON-SOLICITATION COVENANTS, FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) WAIVE ANY RIGHT TO OR CLAIM FOR PUNITIVE, CONSEQUENTIAL, EXEMPLARY, MULTIPLE, INCIDENTAL, OR OTHER DAMAGES IN EXCESS OF THE ECONOMIC DAMAGES ACTUALLY SUSTAINED BY THE PARTY, WHETHER ASSERTED AS A RELATED OR INDEPENDENT TORT, AS A BREACH OF CONTRACT, OR AS ANY OTHER CLAIM OR CAUSE OF ACTION BASED ON STATUTORY OR COMMON LAW. THE FOREGOING DOES NOT LIMITED THE PARTIES' ABILITY TO SEEK EQUITABLE RELIEF.

(h) Waiver of Fraud and Misrepresentation Remedies. Franchisee hereby irrevocably waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, arbitration, judicial, or other adjudicatory proceeding arising hereunder, except to the extent such remedy is expressly provided under this Agreement or pursuant to any right expressly granted by applicable statutes or regulations governing the offer or sale of franchises.

(i) Remedies Cumulative. All rights and remedies conferred upon Franchisee and Franchisor by this Agreement and by law shall be cumulative of each other, and neither the exercise nor the failure to exercise any such right or remedy shall preclude the exercise of any other such right or remedy.

(j) Governing Law. This Agreement and any claim or controversy arising out of or relating to rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed under the laws of the State of Virginia and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of Virginia and the Federal Arbitration Act, which laws shall

prevail in the event of any conflict of law. The venue for any arbitration concerned with the enforcement and interpretation of this Agreement shall be Fairfax, Virginia. Nothing in this Section 21(j) is intended, or shall be deemed, to make any Virginia law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable. Any and all Actions brought by franchisee against franchisor, shall be commenced within one (1) year from the occurrence of the facts giving rise to such Action, or such Action shall be barred.

22. Notices.

Except as otherwise provided in this Agreement, all acceptances, approvals, notices, requests, reports, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be given (i) by personal delivery, (ii) by registered or certified mail, return receipt requested, postage prepared, or (iii) by delivery to a nationally recognized overnight courier service, in each case, addressed as follows:

If intended for Franchisor, addressed to:

CARE WITH LOVE ELITE, LLC
Attn: President
10505 Braddock Rd Suite 4A
Fairfax VA, 22032

With copy to:

Manning Fulton & Skinner, PA
3605 Glenwood Avenue, Suite 500
P.O. Box 20389
Raleigh, North Carolina 27619-0389
Attn: Ritchie Taylor

If intended for Franchisee, addressed to: (i) the notice address set forth in the Franchise Rider, or, (ii) if Franchisee has opened its Franchised Business, the address of the accepted Location of the Franchised Business, or (iii) in either case, to such other address as may have been designated by notice to the other party. Notice shall be deemed given and effective upon the first to occur of receipt, when proper delivery is refused, or two (2) calendar days after deposit in registered or certified U.S. Mail or with a nationally recognized overnight courier, as described above. Any notice that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery.

Additionally, Franchisor may provide the notice described in this section by email or other electronic system to (a) the email address set forth on the Franchise Rider, (b) the email address Franchisor has approved or provided for Franchisee to use with the Franchised Business, or (c) another electronic account that Franchisor has approved or provided for Franchisee to use with the Franchised Business. Such email notices shall be deemed given and effective upon the day on

which the email was sent, unless Franchisor receives notice of rejected delivery by the email account or other electronic account. Franchisee acknowledges and agrees that exchanging information with Franchisor by e-mail is efficient and desirable for day-to-day communications, and Franchisor and Franchisee may utilize e-mail for such communications. Franchisee authorizes the transmission of e-mail by Franchisor and its employees, vendors, and affiliates ("Official Senders") to Franchisee during the Initial Term and any Renewal Term. Franchisee further agrees that: (a) Official Senders are authorized to send e-mails to those of Franchisee's employees whom Franchisee occasionally authorizes for the purpose of communicating with Franchisor; (b) Franchisee will cause its officers, directors, and employees to give their consent to Official Senders' transmission of e-mails to them; (c) Franchisee will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders while such person works for or is affiliated with Franchisee; and (d) Franchisee will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term.

23. Miscellaneous.

(a) Severability. Each provision of this Agreement will be construed as independent of, and severable from, every other provision. The invalidity or unenforceability of any one or more provision of this Agreement shall in no way affect any other provision. If any court of competent jurisdiction determines any provision of this Agreement to be invalid, illegal or unenforceable, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful, if such construction is not permitted or available, that provision or portion of such provision shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of this Agreement. Each party reserves the right to challenge any law, rule, or judicial or other construction which would have the effect of varying or rendering ineffective any provision of this Agreement.

(b) Construction. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, as the case may require. All acknowledgements, warranties, representations, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Agreement as Franchisee.

(c) Entire Agreement. This Agreement, the documents incorporated herein by reference and the exhibits attached hereto, comprise the entire agreement between the parties and all prior understands, representations (including, unless otherwise agreed upon by the parties, the representations of any franchise sellers), or agreements concerning the subject matter hereof are canceled and superseded by this Agreement. This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that the obligations of the Franchisor are confined exclusively to those set forth in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise. Notwithstanding the foregoing, nothing in this Agreement or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

(d) **Assignees.** This Agreement shall be binding upon the heirs, successors, permitted assigns and legal representatives of the parties.

(e) **Amendments.** Franchisor reserves the right to amend this Agreement if a Franchise Agreement change proposed by Franchisor is agreed to by Seventy Five Percent (75%) of the then-current Franchisees. Further, except for those permitted to be made unilaterally by Franchisor, no supplement, amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

(f) **Waivers.** No failure, refusal, or neglect of Franchisor to exercise any right given to it hereunder, or to insist upon strict compliance by Franchisee with any obligation, agreement or undertaking hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand full and exact compliance by Franchisee and shall not affect or impair Franchisor's rights with respect to any subsequent default of the same or of a different nature, nor shall any delay or omission of Franchisor to exercise any right arising from such default, or the acceptance by Franchisor of any payments due from Franchisee after any breach of this Agreement, affect or impair Franchisor's rights as to such default or any subsequent default. Franchisor has the unrestricted right to elect to not enforce (or to selectively enforce) any provision of this Agreement or any other agreement, standard or policy, whether with respect to Franchisee and/or any other franchisee or other person, or any affiliate of Franchisee or Franchisor, without liability. Any such waiver shall be without prejudice to any other rights Franchisor may have, shall be subject to continuing review by Franchisor, and may be revoked by Franchisor, in its sole judgment, at any time and for any reason, effective upon delivery to Franchisee of ten (10) days' prior written notice.

(g) **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. This Agreement may, but is not required to, be executed using electronic signatures. Electronic signatures shall be treated for all purpose as originals.

(h) **Headings.** The headings used in the Agreement are for convenience only, and the paragraphs shall be interpreted as if such headings were omitted.

(i) **Time of Essence.** Franchisee agrees and acknowledges that time is of the essence with regard to Franchisee's obligations hereunder, and that all of Franchisee's obligations are material to Franchisor and this Agreement.

(j) **Agreement Binding Upon Signature of Franchisor.** Franchisee acknowledges that this Agreement shall not take effect until its acceptance and execution by an authorized officer of Franchisor.

(k) **Evolving Agreements.** Franchisee acknowledges that Franchisor has entered, and will continue to enter, into agreements with other Franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that Franchisor and Franchisees other than Franchisee

may have different rights and obligations does not affect the parties' duty to comply with this Agreement.

(l) **Delegation.** Franchisor shall have the right to delegate Franchisor's duties under this Agreement to any affiliated or non-affiliated entity, agent, or employee and Franchisee agrees to such assignment without any right to approve such actions.

(m) **Fines.** For each instance where Franchisee fails to obtain prior written approval for advertisements, fails to attend required training or Franchisor sponsored conventions, offers unauthorized products or services or otherwise fails to comply with Franchisor's operating standards set forth in the Brand Standards Manual or this Agreement, Franchisor shall, at Franchisor's option, have the right to levy a fine in an amount up to One Thousand Dollars ($1,000) per occurrence, in addition to Franchisor's inspection and re-inspection costs. Additionally, in the event that Franchisee fails inspection or is in default and Franchisor inspects and/or re-inspects the Franchised Business, then Franchisee shall reimburse Franchisor for its inspection costs on request. The imposition of a fine pursuant to this subsection shall not act as a waiver of any of Franchisor's other remedies under this Agreement.

(n) **Final Act.** The last signature applied to this Agreement shall be the signature of Franchisor's officer at Franchisor's headquarters in Virginia. The Agreement shall not be binding on Franchisor until signed by Franchisor.

(o) **Covenant of Good Faith**. No covenant of good faith and fair dealing shall be implied into this Agreement, except that if applicable law shall imply such a covenant in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such a covenant, Franchisee acknowledges that (a) this Agreement grants Franchisor the discretion to make decisions, take actions, and refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations hereunder that may favorably or adversely affect Franchisee's interests; (b) Franchisor will use its judgment in exercising such discretion based on Franchisor's assessment of its own interests and balancing those interests against the interests of Franchisee and other franchisees within the Chain generally; and (c) Franchisor will have no liability to Franchisee for the exercise of its discretion, so long as such discretion is not exercised in bad faith toward Franchisee; and (d) in absence of such bad faith, no trier of fact in any legal action shall substitute its judgment for Franchisor's judgment so exercised.

(p) **Security Agreement**. Franchisee agrees to give no security interests, pledges or encumbrances in Franchisee's inventory, leasehold, fixtures, vehicles, equipment, securities or franchise agreement without the prior written approval of Franchisor, which shall not be deemed a consent to assignment. Franchisor will not unreasonably withhold approval but is legitimately concerned to ensure: (a) that Franchisee not lose the business; (b) that the business not be lost to the franchise system; and (c) that Franchisor not have to defend a claim to franchisee rights by anyone it shall not have agreed to accept as a franchisee. In order to secure the prompt performance of Franchisee's obligations under this Agreement, Franchisee grants Franchisor and Franchisor takes a first priority security interest in all of Franchisee's assets, including without limitation, all

present and after acquired inventory and equipment wherever located, accounts, deposit accounts, chattel paper, instruments, contract rights (including Franchisee's rights under this Agreement) and general intangibles, including payment intangibles, and all proceeds and products thereof including insurance proceeds. All items in which a security interest is granted are referred to as the "Collateral". This Agreement and the License granted to Franchisee hereunder may not be used by Franchisee as collateral or be the subject of a security interest, lien, levy, attachment or execution by Franchisee's creditors, any financial institution, or any other party, except with Franchisor's prior written approval.

The security interest is to secure payment of the following (the "Indebtedness"): (a) all amounts due under this Agreement or otherwise by Franchisee; (b) all sums which Franchisor may, at Franchisor's option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness; (c) all expenses, including reasonable attorneys' fees, which Franchisor incurs in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting Franchisor's rights under the security interest and this Agreement; and (d) all other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of Franchisee to Franchisor or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not Franchisor executes any extension agreement or renewal instruments. Franchisee will from time to time as Franchisor requires join with Franchisor in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to Franchisor. Upon default and termination of Franchisee's rights under this Agreement, Franchisor shall have the immediate right to possession and use of the Collateral. Franchisee agrees that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at Franchisor's option and without notice, become due and payable immediately, and Franchisor shall then have the rights, options, duties, and remedies of a secured party under, and Franchisee shall have the rights and duties of a debtor under the Uniform Commercial Code of Virginia (or other applicable law), including, without limitation, Franchisor's right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by Franchisor in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to Franchisee pursuant to the notice provisions set forth above. This Agreement shall be deemed a security agreement and a financing statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a financing statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

FRANCHISEE ACKNOWLEDGES THAT, IN ALL OF ITS DEALINGS WITH FRANCHISOR'S OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, AND REPRESENTATIVES, THESE INDIVIDUALS ACT ONLY IN THEIR REPRESENTATIVE CAPACITY AND NOT IN AN INDIVIDUAL CAPACITY. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT AND ALL BUSINESS DEALINGS

BETWEEN FRANCHISEE AND THESE INDIVIDUALS AS A RESULT OF THIS AGREEMENT ARE SOLELY BETWEEN FRANCHISEE AND FRANCHISOR. NOTWITHSTANDING THE FOREGOING, IF FRANCHISOR ENGAGES ANY BROKER, THAT BROKER WILL BE SOLELY LIABLE FOR ITS CONDUCT WITH FRANCHISEE EXCEPT THAT FRANCHISOR WILL REMAIN LIABLE FOR THE BROKER'S CONDUCT SOLELY TO THE EXTENT OF FRANCHISOR'S OWN CRIMINAL, INTENTIONAL OR GROSSLY NEGLIGENT CONDUCT IN ENGAGING THE BROKER. IN ADDITION, FRANCHISOR MAKES NO WARRANTY AS TO FRANCHISEE'S ABILITY TO OPERATE THE FRANCHISED BUSINESS IN THE JURISDICTION IN WHICH THE FRANCHISED BUSINESS WILL BE OPERATED. FRANCHISEE MUST SEEK OR OBTAIN ADVICE OF COUNSEL SPECIFICALLY ON THIS ISSUE. IF LEGISLATION IS ENACTED, OR A REGULATION PROMULGATED, BY ANY GOVERNMENTAL BODY THAT PREVENTS FRANCHISEE FROM OPERATING THE FRANCHISED BUSINESS, FRANCHISOR IS NOT LIABLE FOR DAMAGES NOR REQUIRED TO INDEMNIFY FRANCHISEE IN ANY MANNER WHATSOEVER OR TO RETURN ANY MONIES RECEIVED FROM FRANCHISEE.

(q) **Survival.** Each provision of this Section 23, and Franchisee's obligations under this Agreement or any other agreement between Franchisee and Franchisor or its affiliates that expressly or by their nature survive the expiration, termination, cancellation, rescission, unenforceability, non-renewal, or any other ending of this Agreement (or any part thereof) for any reason, shall be self-executing and remain in full force and effect notwithstanding such expiration, termination, cancellation, rescission, unenforceability, non-renewal, or other ending of this Agreement, and shall survive and govern any claim for rescission or otherwise.

(r) **Franchisee May Not Withold Payments.** Franchisee agrees that he will not on the grounds of the alleged nonperformance by the Franchisor of any of its obligations hereunder, withhold payment of any royalty and service fees, Brand Fund contributions, lease payments, amounts due to Franchisor for purchases by Franchisee or any other amounts due to Franchisor.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK –
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, parties hereto have duly executed this Agreement on the day, month and year first written above.

Franchisor:

CARE WITH LOVE ELITE, LLC

By: _____
Name:_____
Title:_____

FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO: You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

FOR CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN RESIDENTS AND/OR FRANCHISEES WITH TERRITORIES AND/OR ACCEPTED LOCATIONS THEREIN: No statement, questionnaire, or acknowledgement signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by Franchisor, any franchise seller, or any other person acting on Franchisor's behalf. This provision supersedes any other term of any document executed in connection with the franchise.

Franchisee:

_____

By: _____
Name:_____
Title:_____

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver by hand or overnight courier service, a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, CARE WITH LOVE ELITE, LLC, 10505 Braddock Rd Suite 4A, Fairfax, VA 22032, 703-665-1130, not later than midnight of _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

_____
(Date)

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver by hand or overnight courier service, a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to CARE WITH LOVE ELITE, LLC, 10505 Braddock Rd Suite 4A, Fairfax, VA 22032, 703-665-1130, not later than midnight of _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

_____
(Date)

ATTACHMENT 1 TO FRANCHISE AGREEMENT
FRANCHISE RIDER

Fees

Initial Franchise Fee

The Initial Franchise Fee, which is due and payable upon execution of this Franchise Agreement, is:
_____Forty-Nine Thousand Dollars ($49,000) for the right to open a CARE WITH LOVE business.

Royalties

Franchisee shall pay a Royalty equal to Five Percent (5%) of Gross Revenues, payable bi-weekly on Tuesday for the two sales weeks ending the immediately preceding Sunday. Commencing on January 1st of Franchisee's first full Calendar Year of operations, Franchisee shall be subject to a minimum annual Royalty, as set forth in the chart provided below (the "Minimum Annual Royalty"). For purposes of this Franchise Agreement, "Calendar Year" shall mean the period commencing on January 1st and concluding on December 31st.

Upon commencement of the Minimum Annual Royalty, Franchisee shall continue to pay a bi-weekly Royalty equal to Five Percent (5%) of Gross Revenues for the two sales weeks ending the immediately preceding Sunday; however, Franchisee's Royalty payments shall be subject to an annual reconciliation by Franchisor. Within thirty (30) days following the end of each Calendar Year, Franchisor shall conduct a reconciliation to determine the actual Royalty owed by Franchisee for the immediately preceding Calendar Year. In the event that the annual reconciliation reveals that the aggregate Royalty payments made by Franchisee are less than the Minimum Annual Royalty, Franchisor is authorized to debit the amount of such deficiency from Franchisee's designated operating account. Franchisee shall cooperate in good faith with Franchisor and provide all reasonably requested financial records necessary for such reconciliation.

Calendar Year	Minimum Annual Royalty
Calendar Year 1	$25,000
Calendar Year 2	$50,000
Calendar Year 3	$75,000
Calendar Year 4 and thereafter	$100,000

The name of, and all contact information for, the Operations Manager as the Effective Date:
_____.
Franchisee may not change the Operations Manager without Franchisor's prior written approval.

Address. If Franchisee's Office has not yet been constructed or has not yet opened for business, or if Franchisee at any time during the Initial Term or any Renewal Term loses possession of or otherwise cannot be reached at the Franchised Business Office, Franchisee's address for notice purposes will be the following:

_____

_____

_____

_____

Franchisee's Email Address: _____

Already-Approved Location and Territory (If Applicable)

If the Location has already been selected by Franchisee and approved by Franchisor, then the following are Franchisee's Location and Territory for the term of the Franchise Agreement:

Location: _____

Territory: _____

Unassigned Location and Territory (If Applicable)

If no Location has been determined at the time this Franchise Agreement is executed, then the Location will be within the following area, provided the exact location will be subject to Franchisor's review and approval: _____ (the "Prospective Market Area").

If Franchisee has not been approved to operate at a specific Location at the time the Franchise Agreement is approved, Franchisor reserves the right to sell franchises—and grant territories to others who will operate CARE WITH LOVE Franchised Businesses—in and around the Prospective Market Area. Franchisee may then be required to choose a final location outside of any territory given to any other franchisee, and that territory may be outside of the Prospective Market Area set forth above.

When Franchisee selects its desired location for the Franchised Business, Franchisee must follow the approval process set forth in Section 6 of the Franchise Agreement and Franchisor's Brand Standards Manual. If Franchisor approves of Franchisee's proposed location, Franchisor will send Franchisee its form site approval letter ("Site Selection Approval Letter"). The location set forth in the Site Selection Approval Letter shall constitute the "Location" of the Franchised Business pursuant to Section 1 of the Franchise Agreement. Franchisee's Territory shall be a population of no more than 300,000 people.

ATTACHMENT 2 TO FRANCHISE AGREEMENT
LEASE RIDER

This Lease Rider is executed as of this date of _____, by and between _____ ("Tenant") and _____ ("Landlord") as a Rider to the lease dated _____ (as amended, renewed, and/or extended from time to time, the "Form Lease") for the Premises located at _____ ("Premises").

In the event of a conflict between the terms and conditions set forth within this Rider and the terms and conditions set forth in the Form Lease to which this Rider is attached, the terms and conditions set forth within this Rider shall govern and control.

1. Permitted Use. The Premises are leased to Tenant for the operation of a franchised business providing non-medical, personal care services to clients in their private homes.

2. Signage. Notwithstanding anything contained within the Form Lease to the contrary, Tenant shall, subject to the requirements of local law, have the right to utilize its standard signage and other Proprietary Marks and identification on both the exterior and within the interior of the Premises as approved by CARE WITH LOVE ELITE, LLC, a Virginia limited liability company and franchisor of the CARE WITH LOVE concept **("Franchisor")**.

3. Assignment and Subletting. Landlord's consent to an assignment of the Form Lease or subletting of the Premises shall not be required in connection with an assignment or subletting as a part of a merger, reorganization or sale of all or substantially all of Tenant's assets or business or an assignment or sublet, or as otherwise provided for in the Franchise Agreement between Franchisor and Tenant to Franchisor, any parent, subsidiary or affiliated of Tenant, or affiliate Franchisor, or another CARE WITH LOVE franchisee. Landlord shall approve as an assignee or sublettee any tenant who has become a transferee of the Franchise Agreement by and between Tenant and Franchisor (the Franchise Agreement") as a result of a merger, reorganization or sale of all or substantially all of Tenant's assets, or as otherwise provided for in the Franchise Agreement between Franchisor and Tenant. Tenant shall also have the right, without the consent of Landlord, to assign the Form Lease to: (i) a company incorporated or to be incorporated by Tenant; (ii) a limited liability company formed or to be formed by Tenant; or (iii) or a partnership formed or to be formed by Tenant, provided that Tenant owns or beneficially controls: (i) a majority of the issued and outstanding shares of capital stock of the company; (ii) a majority of the membership interest in the limited liability company; or (iii) is the managing general partner of the partnership.

4. Notices; Opportunity to Cure. Copies of any demand letters, default notices or other similar notices of non-compliance **("Notice")** sent by Landlord to Tenant shall also be sent to Franchisor at the following address:

President
CARE WITH LOVE ELITE, LLC
10505 Braddock Rd Suite 4A,
Fairfax, VA 22032

In the event Tenant fails to cure or otherwise remedy the subject matter of the Notice, and prior to exercising any remedies under the Form Lease, Landlord shall grant Franchisor the identical period of time in which to cure same (said cure period to commence immediately upon Notice from Landlord to Franchisor (at the address set forth herein) that Tenant has failed to cure in a timely manner) and Landlord agrees to accept the performance of Franchisor within said period of time as performance by Tenant pursuant to the terms of the Form Lease.

5. **Option to Lease.** Landlord hereby agrees that, (i) in the event of the termination or expiration of the Franchise Agreement by and between Tenant and Franchisor; (ii) in the event of the termination of the Form Lease for any cause whatsoever including, without limitation, a default by Tenant under the Form Lease after expiration of any applicable notice and cure periods; (iii) in the event of Tenant's failure to exercise any extension option contained in the Form Lease, or (iv) as otherwise permitted under the Franchise Agreement, Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee shall have the option to lease the Premises pursuant to the same terms and conditions as are contained in the Form Lease, in accordance with the following:

(a) Landlord agrees to promptly give Notice to Franchisor (at the address set forth herein) in the event the Form Lease is terminated as the result of a default by Tenant or in the event Tenant fails to exercise any remaining options to extend the term of the Form Lease;

(b) If Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee elects to lease the Premises, Franchisor shall notify Landlord in writing of its election to exercise this option to lease within thirty (30) days after (1) termination or expiration of the Franchise Agreement; (2) Franchisor's receipt of Notice from Landlord that the Form Lease has been terminated; or (3) receipt of Notice from Landlord that Tenant has failed to exercise an option to extend the term of the Form Lease;

(c) If Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee elects to lease the Premises under any of the conditions set forth in 5(i) to (iv) above, Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee shall sign and deliver to Landlord a lease containing all of the same terms and conditions (including rental rates, terms and remaining options to extend the term of the Form Lease) as are contained in the Form Lease; provided, however, that such party's leasehold interest shall not be subject to any defaults or claims that may exist between Landlord and Tenant and any such lease shall permit Franchisor or any parent, subsidiary or affiliated company of Franchisor to assign the lease or sublease the Premises to a franchisee of Franchisor for use as a CARE WITH LOVE franchised location; and

(d) Nothing contained herein shall affect Landlord's right to recover any and all amounts due under the Form Lease from Tenant or to exercise any right of Landlord against Tenant as provided under the Form Lease.

6. Access to the Premises; De-identification. Landlord and Tenant hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Tenant is obligated under the Franchise Agreement to take certain steps to de-identify the location as a CARE WITH LOVE franchise location operated by Tenant. Landlord agrees to cooperate fully with Franchisor in enforcing such provisions of the Franchise Agreement against Tenant, including allowing Franchisor, its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of Franchisor; provided, however, that Landlord shall not be required to bear any expense thereof. Tenant agrees that if Tenant fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, Franchisor may cause all required de-identification to be completed at Tenant's sole cost and expense. Landlord hereby agrees that Franchisor, its employees, and agents have the right to enter into and temporarily occupy the Premises for all purposes permitted under the Franchise Agreement or to otherwise enforce the Franchise Agreement.

7. Assignment of Interest. This Rider is binding and shall inure to the benefit of Landlord, Tenant, and Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee, their assigns, and successors-in-interest. Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another Care with Love franchisee are intended beneficiaries of this Rider, provided Franchisor shall have no liability for any of Tenant's obligations under the Form Lease. Franchisor signs below for the limited purpose of acknowledging and agreeing to the provisions of this Rider.

8. Non-disturbance from Mortgage Lenders. It is a condition of the Form Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agrees not to disturb Tenant's rights under the Form Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Form Lease beyond any applicable grace or cure period provided therein. If a mortgage, deed of trust or deed to secure debt currently encumbers the Premises, it is a condition precedent to Tenant's obligations under the Form Lease that the holder of such encumbrance enter into a written recordable form of subordination and non-disturbance agreement with Tenant, in a form reasonably acceptable to Tenant, as described above.

9. Security Interest. Any security interest and/or landlord's lien of Landlord in Tenant's trade fixtures, trade dress, signage, equipment and other personal property is hereby subordinated to any security interest and pledge granted to Franchisor in such items.

LANDLORD:	**TENANT:**
_____	_____
By: _____	By: _____
Its: _____	Its: _____
Name:_____	Name:_____

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Agreed to:

FRANCHISOR:

CARE WITH LOVE ELITE, LLC

By: _____
Name: _____
Title: _____

ATTACHMENT 3 TO FRANCHISE AGREEMENT

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, (together with any revisions, modifications, and amendments thereto, the "Agreement") between CARE WITH LOVE ELITE, LLC ("Franchisor") and _____ ("Franchisee") dated of even date herewith, the undersigned (each a "Guarantor"), for themselves, their heirs, successors, and assigns, do jointly, individually, and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms, and conditions in the Agreement, to be paid, kept and performed by the Franchisee.

A. Except for those designated as "Spouse" and not "Owner" in the signature block below, each Guarantor, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement, including but not limited to the non-compete, non-solicitation, dispute resolution, and indemnification provisions, and agree that this Personal Guaranty will be construed as though each Guarantor and each of its heirs, successors, and assigns executed an agreement containing the identical terms and conditions of the Agreement. If a Guarantor is an Owner, Guarantor hereby (1) makes all representations of, and (2) accepts and agrees to comply with all obligations of, owners, shareholders, members, and partners of the Franchisee as set forth in the Agreement.

B. Each Guarantor's liability under this Personal Guaranty shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and, as applicable, any other guarantors of Franchisee. Each Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so. Franchisor may proceed against each Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against any Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Each Guarantor agrees to pay all reasonable attorneys' fees, accountants' fees, attorneys' assistants' and paralegals' fees, expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and all costs and expenses incurred in connection with the collection or attempted collection of any amounts due under this Personal Guaranty, any negotiations relating to the obligations hereby guaranteed, or the enforcement of this Personal Guaranty, whether incurred before, in preparation for, or in contemplation of any judicial proceeding, and regardless of whether a legal proceeding is commenced of Franchisor prevails. This Personal Guaranty is enforceable by and against the respective administrators, executors, heirs, successors, and assigns of each Guarantor, and the death of any Guarantor will not terminate the liability of such Guarantor or limit the liability of other Guarantors hereunder.

C. Each Guarantor consents and agrees that: (1) each Guarantor's liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against the Franchisee or any other person; (2) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to any or all Guarantors; (3) any liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant

to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Personal Guaranty, which shall be continuing and irrevocable; and (4) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Franchisee with or without any Guarantor receiving notice thereof.

D. Each Guarantor waives: (1) notice of demand for payment of any indebtedness or on performance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (3) any right he/she may have to require that an action be brought against the Franchisee or any other person as a condition of liability; (4) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and (5) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

E. Each Guarantor agrees that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of Franchisor's successors and assigns.

F. This Personal Guaranty shall be governed by the choice of law and dispute resolution provisions set forth in the Agreement.

PERSONAL GUARANTORS:

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

ATTACHMENT 4 TO FRANCHISE AGREEMENT
NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement ("Agreement") is made and entered into as of _____ by and between CARE WITH LOVE ELITE, LLC, a Virginia limited liability company ("Company") and _____ ("Associate"), who resides at _____. All initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of a business that provides non-medical, personal care services at clients' private homes ("Franchised Business"). The Franchised Businesses are operated under the trademark "CARE WITH LOVE" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "Marks");

B. The Franchisor has developed methods for establishing, operating and promoting Franchised Businesses pursuant to the Franchisor's Confidential Information (defined below) and such Confidential Information as may be further developed from time to time by the Franchisor ("System");

C. The Franchisor and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of products and customer service, which goodwill and reputation have been and will continue to be of major benefit to the Franchisor;

D. Associate desires to become involved with a _____ ("Franchisee"), a franchisee of the Franchisor that operates a Franchised Business in _____ in the capacity of an owner, officer, partner, director, or agent of the Franchised Business, or is a spouse or domestic partner of an owner of a Franchised Business, and will become privileged as to certain Confidential Information. Associate may or may not have signed the Franchise Agreement or personal guaranty; and

E. Associate and the Franchisor have reached an understanding with regard to nondisclosure by Associate of Confidential Information with respect to noncompetition by Associate with the Franchisor and other franchisees of the Franchisor. Associate agrees to the terms of this Agreement as partial consideration for the Franchisor's willingness to allow Associate to engage in a business relationship with Franchisor or Franchisee using the Franchisor's Confidential Information.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Franchisor, intending legally to be bound, agree as follows:

1. Definitions.

(a) "Associate" shall mean the individual described in the first paragraph of this Agreement.

(b) "Client" shall means (i) any client to which the Franchised Business sold any product or for which the Franchised Business performed any service at any time within the one (1) year period prior to the Restrictive Period and whom Associate had a business relationship through Associate's association with Franchisor or Franchisee (ii) any prospective client that the Associated called on at any time or had any communications within the one (1) year period prior to the Restrictive Period, or (iii) any prospective client about whom the Associate gathered information at any time within the one (1) year period prior to the Restrictive Period that could be used to the competitive disadvantage of the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first date of the Restrictive Period.

(c) "Competitive Business" as used in this Agreement means any business or commercial activity, other than a CARE WITH LOVE business that Franchisee is authorized by Franchisor to operate, that (i) offers companionship, personal care, complex personal care, or nursing services to people in their home who are aged, disabled, recovering, rehabilitating, convalescing, or otherwise in need of personal care services or (ii) provides any of the products or services offered by the Franchised Business at the time of or during the one (1) year period prior to the Restrictive Period.

(d) "Confidential Information" means the information, not generally known to the public, in any form, relating to the Franchised Business and its operations, including all trade secrets of the Franchised Business; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the Franchised Business not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer service records and mail lists); formula; electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that the Franchisor or its affiliates designates as confidential, including all information contained in the Brand Standards Manual.

(e) "Franchise Agreement" shall mean the franchise agreement between Franchisor and Franchisee dated _____ as amended or renewed from time to time.

(f) "Location" shall mean the approved location of Franchisee's Franchised Business.

(g) "Protected Territory" shall mean:

i. An area which combined includes (a) the Territory as of the first date of the Restrictive Period, (b) the territories in which Franchisor or its affiliates or other franchisees operate any CARE WITH LOVE

businesses or locations as of the first date of the Restrictive Period, and (c) any area which is within ten (10) miles of the boundaries of any of those territories; or

ii. An area which combined includes (a) the Territory as of the first date of the Restrictive Period and (b) any area which is within ten (10) miles of the boundaries of the Territory; or

iii. The Territory as of the first date of the Restrictive Period.

(h) "Restrictive Period" shall mean a period of two (2) years that begins the earlier of (i) the date of termination, expiration, or non-renewal of the Franchise Agreement, regardless of the reason for such termination, expiration, or non-renewal, or (ii) the date Associate's association with Franchisee or the Franchised Business ends for any reason, including but not limited to, divorce, separation, sale, termination, or transfer.

(i) "Term" shall mean the period from the Effective Date through the first date of the Restrictive Period.

(j) "Territory" shall have the meaning defined in the Franchise Agreement.

2. Confidential Information. Associate and Franchisor acknowledge that the Confidential Information that is developed and utilized in connection with the operation of the Franchised Business is unique and the exclusive property of Franchisor or its affiliates. Associate acknowledges that any unauthorized disclosure or use of Confidential Information would be wrongful and would cause irreparable injury and harm to Franchisor or its affiliates. Associate further acknowledges that the Franchisor or its affiliates have expended a great amount of effort and money in obtaining and developing the Confidential Information, that the Franchisor or its affiliates have taken numerous precautions to guard the secrecy of the Confidential Information, and that it would be very costly for competitors to acquire or duplicate the Confidential Information.

3. Nondisclosure of Confidential Information. During the Term and for all periods after the Term, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of Franchisor or the Franchised Business, any of the Confidential Information of Franchisor or its affiliates.

4. In-Term Covenant Against Unfair Competition. During the Term, Associate will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(a) own, manage, engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any Competitive Business; or

(b) offer or grant franchises or licenses for any Competitive Business; or

(c) become a franchisee or licensee of any Competitive Business; or

(d) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

5. Post-Termination Covenant Against Unfair Competition. Associate covenants and agrees that for the Restrictive Period Associate shall not, within the Protected Territory, engage in any of the following:

(a) franchise, license, or own an interest in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in itself be deemed violative of this Section 6 so long as Associate does not own themselves or through his or her spouses or partners more than one percent (1%) of the securities of such corporation; or

(b) engage in any Competitive Business as an officer, director, employee, consultant, manager, operator, or independent contractor in any capacity in which Associate would be in a position to use or disclose Confidential Information.

6. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Franchisor may be entitled. Associate agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds totaling Five Hundred Dollars ($500) or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

7. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of the Confidential Information and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Associate or Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "prior breach" on the part of the Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Franchisor will entitle or permit Associate to disclose any such Confidential Information in any circumstances. Associate agrees that the running of the applicable post-termination Restrictive Period shall be tolled during any period of a violation of this Agreement.

8. Effect of Waiver. The waiver by Franchisor of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Franchisor and their respective heirs, executors, representatives, successors and assigns.

10. Entire Agreement. This instrument contains the entire agreement of Associate and the Franchisor relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. Governing Law; Jurisdiction and Venue.

(a) If Associate is an owner or guarantor of Franchisee, the governing law and dispute resolution provisions of the Franchise Agreement shall apply to this Agreement.

(b) For Associates that are not an owner or guarantor of Franchisee, the following terms apply: The laws of Virginia (without giving effect to its conflicts of law principles) govern all matters arising under and relating to this Agreement, including torts. In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of Virginia, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of Virginia. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of Virginia. Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

12. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

13. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

14. Miscellaneous. Due to the importance of this Agreement to Franchisor, any claim Associate has against Franchisor is a separate matter and does not entitle Associate to violate, or justify any violation of, this Agreement. Associate agrees that all the words and phrases used in this Agreement will have the same meaning as used in the Franchise Agreement, unless herein defined.

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

ASSOCIATE:

_____
[Print name]

_____
[Signature]

CARE WITH LOVE ELITE, LLC

By: _____
Name: _____
Title: _____
Date:_____

ATTACHMENT 5 TO FRANCHISE AGREEMENT
INTERNET, SOCIAL MEDIA, AND TELEPHONE ASSIGNMENT

THIS AGREEMENT is entered into as of _____ by and between CARE WITH LOVE ELITE, LLC, and _____ (hereinafter referred to as "Franchisee").

RECITALS

A. Franchisor has developed a unique system for the operation of a franchised business provides non-medical, personal care services at clients' private homes (the "System");

B. Franchisor and Franchisee have entered into a Franchise Agreement dated _____ (the "Franchise Agreement"), pursuant to which Franchisee was granted the right to operate a CARE WITH LOVE franchise under the System; and

C. It is the desire of and in the best interests of Franchisor and the System that in the event the Franchise Agreement terminates, expires, or is not renewed, the telephone numbers, telephone directory listings, internet addresses, and social media accounts used by Franchisee in connection with the operation of its CARE WITH LOVE business ("Franchised Business") are assigned to Franchisor.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and Franchisor agreeing to enter into the Franchise Agreement, Franchisor and Franchisee agree as follows:

1. Franchisee hereby agrees to assign to Franchisor: (i) those certain telephone numbers and regular, classified or other telephone directory listings used by Franchisee in connection with operating the CARE WITH LOVE franchised business, (ii) all e-mail addresses that use the Marks or that are used by Franchisee in connection with the operation of the Franchised Business, (iii) any Online Presence (as that term is defined in the Franchise Agreement) which uses the Marks, which Franchisee uses in connection with the operation of the Franchised Business, or which Franchisee has been permitted by Franchisor to create, and (iv) all rights, title, and interest in the content of any Online Presence, whether now-existing or adopted by Franchisee in the future (collectively the "Listings").

2. This Assignment is for collateral purposes only and, except as specified herein, Franchisor will have no liability or obligation of any kind whatsoever arising from or in connection with Franchisee's use of the Listings unless and until Franchisor notifies the telephone company, listing agencies, internet service providers, or other parties that provide the Listings (collectively, the "Providers") to effectuate the assignment pursuant to the terms hereof.

3. Upon termination, expiration, or nonrenewal of the Franchise Agreement (without renewal or extension), Franchisor will have the right and is hereby empowered to effectuate the assignment of the Listings to itself or to any third party it designates. In the event Franchisor exercises its assignment rights Franchisee will have no further right, title or interest in the Listings;

provided, however, Franchisee will pay all amounts owed in connection with the Listings, including all sums owed to Franchisor, Franchisor's affiliates, or Franchisor's approved suppliers under existing contracts for the Listings and immediately, at the Franchisor's request, (i) take any other action as may be necessary to transfer the Listings to the Franchisor or Franchisor's designated agent, (ii) install and maintain, at Franchisee's sole expense, an intercept message, in a form and manner acceptable to Franchisor on any or all of the Listings; (iii) disconnect, cancel, delete, remove, or discontinue the Listings; (iv) relist any Listing in a different location or with a new provider, whether published or online; (v) modify the Listing and any content in the Listing; (vi) provide all login or other access credentials to the Listings; and/or (vii) cooperate with Franchisor or its designated agent in undertaking any or all of the foregoing.

4. Franchisee appoints Franchisor as Franchisee's attorney-in-fact, to act in Franchisee's place, for the purpose of assigning any Listings covered by the Assignment to Franchisor or Franchisor's designated agent or taking any other actions required of Franchisee under this Agreement. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of the forgoing powers, including full power of substitution and execution or completion of any documents required or requested by any Provider to transfer or modify such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration, termination, or nonrenewal of Franchisee's rights under the Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power is created to secure performance of a duty to Franchisor and is for consideration.

5. The parties agree that the Providers may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Listings upon such termination, expiration or nonrenewal of the Franchise Agreement and that such assignment shall be made automatically and effective immediately upon a Provider's receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Providers require that the parties execute the Providers' assignment forms or other documentation at the time of termination, expiration or nonrenewal of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination, expiration, or non-renewal of the Franchise Agreement.

6. The validity, construction and performance of this Assignment is governed by the laws of the State in which Franchisor is located. All agreements, covenants, representations and warranties made in this Agreement survive the signing of this Agreement. All Franchisor's rights inure to Franchisor's benefit and to the benefit of Franchisor's successors and assigns.

[*Signature on the following Page*]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

CARE WITH LOVE ELITE, LLC

By:_____
Name: _____
Title: _____

ATTACHMENT 6 TO FRANCHISE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

[Applicable if Franchisee determines it is a covered entity]

This Business Associate Agreement ("Agreement") is entered into as of _____ ("Effective Date") by and between _____ ("Business Associate") and CARE WITH LOVE ELITE, LLC ("Covered Entity").

Each of Covered Entity and Business Associate may be referenced in this Agreement as a "Party" and collectively as the "Parties."

The Parties, intending to be legally bound, hereby agree as follows:

I. Definitions.

a. Except as otherwise defined in this Agreement, all capitalized terms used in this Agreement shall have the meanings set forth in HIPAA.

b. "Breach" shall mean the acquisition, access, use or disclosure of Protected Health Information in a manner not permitted by the HIPAA Privacy Rule that compromises the security or privacy of the Protected Health Information as defined, and subject to the exceptions set forth, in 45 CFR § 164.402.

c. "Electronic Protected Health Information" shall mean Protected Health Information that is transmitted or maintained in Electronic Media.

d. "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, as amended and supplemented by the HITECH Act and its implementing regulations, as each is amended from time to time.

e. "HIPAA Breach Notification Rule" shall mean the federal breach notification regulations, as amended from time to time, issued under HIPAA and set forth in 45 C.F.R. Part 164 (Subpart D).

f. "HIPAA Privacy Rule" shall mean the federal privacy regulations, as amended from time to time, issued under HIPAA and set forth in 45 C.F.R. Parts 160 and 164 (Subparts A & E).

g. "HIPAA Security Rule" shall mean the federal security regulations, as amended from time to time, issued under HIPAA and set forth in 45 C.F.R. Parts 160 and 164 (Subparts A & C).

h. "HITECH Act" shall mean Subtitle D of the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and

Reinvestment Act of 2009, 42 U.S.C. §§ 17921-17954, and all its implementing regulations, when and as each is effective and compliance is required.

i. "Protected Health Information or PHI" shall mean Protected Health Information, as defined in 45 CFR § 160.103, and is limited to the Protected Health Information received, maintained, created or transmitted on behalf of, Covered Entity by Business Associate in performance of the Underlying Services.

j. "Underlying Services" shall mean, to the extent and only to the extent they involve the creation, maintenance, use, disclosure or transmission of Protected Health Information, the services performed by Business Associate for Covered Entity pursuant to the Underlying Services Agreement.

k. "Underlying Services Agreement" shall mean the franchise agreement between Business Associate and Covered Entity dated _____, as amended pursuant to which Business Associate access to, receives, maintains, creates or transmits PHI for or on behalf of Covered Entity in connection with the provision of the services described in that agreement(s) by Business Associate to Covered Entity or in performance of Business Associate's obligations under such agreement(s).

II. Permitted and Required Uses and Disclosures of Protected Health Information by Business Associate.

a. Business Associate may use or disclose Protected Health Information solely (1) as necessary to provide the Underlying Services to Covered Entity and in compliance with each applicable requirement of 45 CFR §164.504(e), (2) as Required by Law or (3) as expressly otherwise authorized under this Agreement. Business Associate shall not use or disclose Protected Health Information for any other purpose or in any other manner.

b. Business Associate may, if necessary, use or disclose Protected Health Information for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate; provided, that (1) any disclosure is Required by Law or (2) Business Associate obtains reasonable advance written assurances from the person or party to whom the Protected Health Information is disclosed that (Y) the Protected Health Information will be held confidentially and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person or party, and (Z) the person or party immediately notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

III. Obligations of Business Associate.

a. Business Associate shall use appropriate safeguards, and, comply, where applicable, with the HIPAA Security Rule with respect to Electronic Protected Health Information, to prevent use or disclosure of the information other than as provided for by this Agreement.

b. Business Associate shall mitigate any harmful effect of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

c. Business Associate shall immediately report to Covered Entity: (i) any use or disclosure of Protected Health Information not provided for by this Agreement of which it becomes aware in accordance with 45 CFR §164.504(e)(2)(ii)(C); and/or (ii) any Security Incident of which Business Associate becomes aware in accordance with 45 CFR § 164.314(a)(2)(i)(C).

d. Business Associate shall notify the Covered Entity within ten (10) days after Business Associate's discovery of any incident that involves an unauthorized acquisition, access, use, or disclosure of Protected Health Information; even if Business Associate believes the incident will not rise to the level of a Breach. Business Associate agrees that such notification will meet the requirements of the HIPAA Breach Notification Rule set forth in 45 CFR § 164.410. Business Associate shall provide to the Covered Entity the names and contact information of all individuals whose Protected Health Information was or is believed to have been involved, all other information reasonably requested by the Covered Entity to enable the Covered Entity to perform and document a risk assessment in accordance with the HIPAA Breach Notification Rule with respect to the incident to determine whether a Breach occurred, and all other information reasonably necessary to provide notice to Individuals, the Department of Health and Human Services and/or the media in accordance with the HIPAA Breach Notification Rule. In the event of an incident that is required to be reported under this Section III(d), Covered Entity shall elect in its sole discretion whether Covered Entity, Business Associate or a third party shall be responsible for conducting an investigation of that incident and providing any required notices as set forth in this Section III(d).

e. In accordance with 45 CFR 164.502(e)(1)(ii) and 45 CFR 164.308(b)(2), Business Associate shall ensure that any subcontractors that create, receive, maintain, or transmit Protected Health Information on behalf of Business Associate, agree to the same restrictions and conditions, in writing, that apply through this Agreement to Business Associate with respect to such Protected Health Information, including but not limited to the extent that subcontractors create, receive, maintain, or transmit Electronic Protected Health Information on behalf of the Business Associate, it shall require the subcontractors to comply with the HIPAA Security Rule.

f. To the extent Business Associate is to carry out Covered Entity's obligations under the HIPAA Privacy Rule, Business Associate shall comply with the requirements of the HIPAA Privacy Rule that apply to Covered Entity in the performance of such obligations.

g. Business Associate shall provide access to Covered Entity, no later than fifteen (15) days after receipt of a request from Covered Entity, to Protected Health Information in a Designated Record Set, or, if requested by Covered Entity, to an Individual, all in accordance with the requirements under 45 CFR § 164.524, including, providing or sending a copy to a designated third party and providing or sending a copy in electronic format, to

the extent that the Protected Health Information in Business Associate's possession constitutes a Designated Record Set.

h. Business Associate shall make available and make any amendment(s) to Protected Health Information in a Designated Record Set within fifteen (15) days after receipt of a request from Covered Entity or an Individual, all in accordance with the requirements of 45 CFR § 164.526.

i. Business Associate shall document disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR § 164.528 and, as of the date compliance is required by final regulations, 42 U.S.C. § 17935(c).

j. Business Associate shall make available to Covered Entity, within fifteen (15) after receipt of a request, information collected in accordance with Section III(i) of this Agreement to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information, or make that information available directly to an Individual, all in accordance with 45 CFR § 164.528 and, as of the date compliance is required by final regulations, 42 U.S.C. § 17935(c).

k. Business Associate shall notify Covered Entity in writing within three (3) days after Business Associate's receipt directly from an Individual of any request for access to or amendment of Protected Health Information, or an accounting of disclosures, as contemplated in Sections III(g), III(h), III(i) and III(j) of this Agreement.

l. Business Associate agrees to make its internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity or to the Secretary, for purposes of the Secretary determining Covered Entity's compliance with HIPAA.

m. Business Associate shall request, use and/or disclose only the minimum amount of Protected Health Information necessary to accomplish the purpose of the request, use or disclosure; provided, that Business Associate shall comply with 45 CFR §§ 164.502(b) and 164.514(d).

n. Business Associate shall not directly or indirectly receive remuneration in exchange for any Protected Health Information as prohibited by 45 CFR § 164.502(a)(5)(ii).

o. Pursuant to the authorizations obtained by the Covered Entity and in accordance with the terms of 45 CFR §§ 164.508(a)(3), Business Associate may make or cause to be made any marketing communication about a product or service as defined in 45 CFR §§ 164.501.

p. Pursuant to the authorization obtained by the Covered Entity and in accordance with the terms of 45 CFR § 164.514(f) Business Associate may make or cause to be made any written fundraising communication.

q. Business Associate shall take all necessary steps, at the request of Covered Entity, to comply with requests by Individuals not to send Protected Health Information to a Health Plan in accordance with 45 CFR § 164.522(a).

r. Business Associate shall take reasonable steps to ensure that its employees' actions or omissions do not cause Business Associate to breach the terms of this Agreement or violate provisions of HIPAA that apply to Business Associate.

s. Notwithstanding anything to the contrary, Business Associate may deidentify any Protected Health Information in accordance with the standard in 45 CFR § 164.514(a). Once data is properly de-identified, Business Associate may use the deidentified information for any lawful purpose and is not required to destroy such information upon termination of this Agreement.

IV. Term and Termination.

a. The term of this Agreement shall commence as of the Effective Date and shall terminate concurrently with the Underlying Services Agreement unless earlier terminated, by mutual written agreement of the Parties, or in accordance with this Section IV.

b. Notwithstanding anything in this Agreement to the contrary, if Covered Entity knows of a pattern of activity or practice of Business Associate that constitutes a material breach or violation of this Agreement then Covered Entity shall provide written notice of the breach or violation to Business Associate that specifies the nature of the breach or violation. Business Associate must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to Covered Entity within the specified timeframe, or in the event the breach is reasonably incapable of cure, then Covered Entity may, terminate this Agreement.

c. Within thirty (30) days after termination or expiration of this Agreement, Business Associate will return or destroy, if feasible, all Protected Health Information received from or created or received by Business Associate, including all Protected Health Information in possession of Business Associate's agents or subcontractors, on behalf of Covered Entity that Business Associate still maintains in any form and retain no copies of such information. To the extent return or destruction of the Protected Health Information is not feasible, Business Associate shall notify Covered Entity in writing of the reasons return or destruction is not feasible and, if Covered Entity agrees, may retain the Protected Health Information subject to this Section. Under any circumstances, Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to Business Associate's use and/or disclosure of any Protected Health Information retained after the expiration or termination of this Agreement, and shall limit further uses and

disclosures to those purposes that make the return or destruction of the information not feasible.

V. Miscellaneous.

a. The Parties to this Agreement do not intend to create any rights in any third parties. The obligations of Business Associate under this Section and Section IV(c) of this Agreement shall survive the expiration, termination, or cancellation of this Agreement, the Service Agreement, and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

b. This Agreement may be amended or modified only in a writing signed by the Parties. No Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party. None of the provisions of this Agreement are intended to create, nor will they be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. This Agreement shall be governed by the laws of the State of Delaware. No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion. The Parties agree that, in the event that any documentation of the arrangement pursuant to which Business Associate provides Underlying Services to Covered Entity contains provisions relating to the use or disclosure of Protected Health Information which are more restrictive than the provisions of this Agreement, the provisions of the more restrictive documentation will control. The provisions of this Agreement are intended to establish the minimum requirements regarding Business Associate's use and disclosure of Protected Health Information. This Agreement, together with the Underlying Services Agreement, constitutes the entire agreement of the Parties relating to Business Associate's use or disclosure of Protected Health Information.

c. The terms of this Agreement to the extent they are unclear, shall be construed to allow for compliance by Covered Entity with HIPAA and the HITECH Act. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect. In addition, in the event Covered Entity believes in good faith that any provision of this Agreement fails to comply with the then-current requirements of HIPAA, Covered Entity shall notify Business Associate in writing. For a period of up to thirty (30) days, the Parties shall address in good faith such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, after such thirty-day period, the Agreement fails to comply with the requirements of HIPAA, then Covered Entity has the right to terminate upon written notice to the Business Associate.

d. Business Associate understands and agrees that it will not assign, delegate, or subcontract any of its rights or obligations under this Agreement to individuals or entities residing outside the United States.

e. This Agreement may be executed in counterparts, each of which will constitute an original and all of which will be one and same document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

Covered Entity:	Business Associate:
_____	_____
By: _____	By:_____
Name: _____	Name: _____
Title: _____	Title: _____

ATTACHMENT 7 TO THE FRANCHISE AGREEMENT
NONDISCLOSURE AND NON-SOLICITATION AGREEMENT

This Nondisclosure and Non-Solicitation Agreement ("Agreement") is made and entered into as of _____ by and between CARE WITH LOVE ELITE, LLC, a Virginia limited liability company ("Company") and _____ ("Associate"), who resides at _____. All initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of a business that provides non-medical, personal care services at clients' private homes ("Franchised Business"). The Franchised Businesses are operated under the trademark "CARE WITH LOVE" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "Marks");

B. The Franchisor has developed methods for establishing, operating and promoting Franchised Businesses pursuant to the Franchisor's Confidential Information (defined below) and such Confidential Information as may be further developed from time to time by the Franchisor ("System");

C. The Franchisor and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of products and customer service, which goodwill and reputation have been and will continue to be of major benefit to the Franchisor;

D. Associate desires to become involved with a _____ ("Franchisee"), a franchisee of the Franchisor that operates a Franchised Business in _____ in the capacity of an owner, officer, partner, director, or agent of the Franchised Business, or is a spouse or domestic partner of an owner of a Franchised Business, and will become privileged as to certain Confidential Information. Associate may or may not have signed the Franchise Agreement or personal guaranty; and

E. Associate and the Franchisor have reached an understanding with regard to nondisclosure by Associate of Confidential Information with respect to noncompetition by Associate with the Franchisor and other franchisees of the Franchisor. Associate agrees to the terms of this Agreement as partial consideration for the Franchisor's willingness to allow Associate to engage in a business relationship with Franchisor or Franchisee using the Franchisor's Confidential Information.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Franchisor, intending legally to be bound, agree as follows:

1. Definitions.

(a) "Associate" shall mean the individual described in the first paragraph of this Agreement.

(b) "Client" shall means (i) any client to which the Franchised Business sold any product or for which the Franchised Business performed any service at any time within the one (1) year period prior to the Restrictive Period and whom Associate had a business relationship through Associate's association with Franchisor or Franchisee (ii) any prospective client that the Associated called on at any time or had any communications within the one (1) year period prior to the Restrictive Period, or (iii) any prospective client about whom the Associate gathered information at any time within the one (1) year period prior to the Restrictive Period that could be used to the competitive disadvantage of the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first date of the Restrictive Period.

(c) "Competitive Business" as used in this Agreement means any business or commercial activity, other than a CARE WITH LOVE business that Franchisee is authorized by Franchisor to operate, that (i) offers companionship, personal care, complex personal care, or nursing services to people in their home who are aged, disabled, recovering, rehabilitating, convalescing, or otherwise in need of personal care services or (ii) provides any of the products or services offered by the Franchised Business at the time of or during the one (1) year period prior to the Restrictive Period.

(d) "Confidential Information" means the information, not generally known to the public, in any form, relating to the Franchised Business and its operations, including all trade secrets of the Franchised Business; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the Franchised Business not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer service records and mail lists); formula; electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that the Franchisor or its affiliates designates as confidential, including all information contained in the Brand Standards Manual.

(e) "Franchise Agreement" shall mean the franchise agreement between Franchisor and Franchisee dated _____ as amended or renewed from time to time.

(f) "Location" shall mean the approved location of Franchisee's Franchised Business.

(g) "Protected Territory" shall mean:

(i) An area which combined includes (a) the Territory as of the first date of the Restrictive Period, (b) the territories in which Franchisor or its affiliates or other franchisees operate any CARE WITH LOVE businesses or locations as of the first date of the Restrictive Period, and (c) any area which is within ten (10) miles of the boundaries of any of those territories; or

(ii) An area which combined includes (a) the Territory as of the first date of the Restrictive Period and (b) any area which is within ten (10) miles of the boundaries of the Territory; or

(iii) The Territory as of the first date of the Restrictive Period.

(h) "Restrictive Period" shall mean a period of two (2) years that begins the earlier of (i) the date of termination, expiration, or non-renewal of the Franchise Agreement, regardless of the reason for such termination, expiration, or non-renewal, or (ii) the date Associate's association with Franchisee or the Franchised Business ends for any reason, including but not limited to, divorce, separation, sale, termination, or transfer.

(i) "Term" shall mean the period from Effective Date through the first date of the Restrictive Period.

(j) "Territory" shall have the meaning defined in the Franchise Agreement.

2. Confidential Information. Associate and Franchisor acknowledge that the Confidential Information that is developed and utilized in connection with the operation of the Franchised Business is unique and the exclusive property of Franchisor or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information would be wrongful and would cause irreparable injury and harm to the Franchisor or its affiliates. Associate further acknowledges that Franchisor or its affiliates have expended a great amount of effort and money in obtaining and developing the Confidential Information, that Franchisor or its affiliates have taken numerous precautions to guard the secrecy of the Confidential Information, and that it would be very costly for competitors to acquire or duplicate the Confidential Information.

3. Nondisclosure of Confidential Information. During the Term and for all periods, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of Franchisor or the Franchised Business, any of the Confidential Information of Franchisor or its affiliates.

4. Covenant Against Solicitation. During the Term, Associate will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(a) solicit, divert or attempt to solicit or divert any person or party that is or has been a customer of Franchised Business at any time during the term of this Agreement, to any Competitive Business, as Franchisee agrees that all goodwill associated with Franchisee's operation under the Marks and the System, and all goodwill associated with any Online Presence owned, operated, occupied, or controlled by Franchisee in connection with the Franchised Business, and all customer information associated therewith, inure to Franchisor; or

(b) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the Franchised Business to provide supplies, products, equipment, merchandise, or services to a Competitive Business or to cease providing supplies, goods, equipment, merchandise, or services to CARE WITH LOVE businesses.

5. Post-Termination Covenant Against Solicitation. Associate covenants and agrees that for the Restrictive Period Associate shall not, within the Protected Territory, engage in any of the following:

(a) solicit, divert or induce or attempt to solicit, divert, or induce for, or on behalf of, any Competitive Business any person or entity who was an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business as of the first day of the Restrictive Period with whom Associate had a business relationship through Associate's association with Franchisee or who was an employee of, independent contract to, consultant to, or other service provider to the Franchise Business within one (1) year prior to the Restricted Period with whom Associate had a business relationship through Associate's association with Franchisee, to work for the Competitive Business; or

(b) solicit, induce or attempt to solicit or induce any person or entity who is an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as if the first day if the Restrictive Period or within one (1) year of the Restrictive Period to terminate or alter in any way its, his, or her relationship with the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the date of the Restrictive Period; or

(c) solicit, divert, or induce or attempt to solicit, divert, or induce any persons who were employees of, independent contractors to, consultants to, or any other service provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first day of the Restrictive Period or within one (1) year of the Restive Period for, or on behalf of, any Competitive Business to work for any Competitive Business; or

(d) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the Franchised Business within one (1) year of the Restrictive Period to provide supplies, products, equipment, merchandise, or services to a Competitive Business or to cease providing supplies, goods, equipment, merchandise, or services to CARE WITH LOVE businesses; or

e) solicit, divert or attempt to solicit or divert any Client, to any Competitive Business.

6. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in

addition to any other rights or remedies to which the Franchisor may be entitled. Associate agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds totaling Five Hundred Dollars ($500) or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

7. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of the Confidential Information and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Associate or Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "prior breach" on the part of the Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Franchisor will entitle or permit Associate to disclose any such Confidential Information in any circumstances. Associate agrees that the running of the applicable post-termination Restrictive Period shall be tolled during any period of a violation of this Agreement.

8. Effect of Waiver. The waiver by Franchisor of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Franchisor and their respective heirs, executors, representatives, successors and assigns.

10. Entire Agreement. This instrument contains the entire agreement of Associate and the Franchisor relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. Governing Law; Jurisdiction and Venue.

(a) If Associate is an owner or guarantor of Franchisee, the governing law and dispute resolution provisions of the Franchise Agreement shall apply to this Agreement.

(b) For Associates that are not an owner or guarantor of Franchisee, the following terms apply; The laws of Virginia (without giving effect to its conflicts of law principles) govern all matters arising under and relating to this Agreement, including torts. In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of Virginia, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of Virginia. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of Virginia.

Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

12. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

13. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

14. Miscellaneous. Due to the importance of this Agreement to Franchisor, any claim Associate has against Franchisor is a separate matter and does not entitle Associate to violate, or justify any violation of, this Agreement. Associate agrees that all the words and phrases used in this Agreement will have the same meaning as used in the Franchise Agreement, unless herein defined.

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

ASSOCIATE:	CARE WITH LOVE ELITE, LLC
_____ [Print name]	
_____ [Signature]	By: _____ Name: _____ Title: _____ Date:_____

6071428v4.AJD.32287.G57915

EXHIBIT B-1

EXHIBIT B-1 TO FRANCHISE DISCLOSURE DOCUMENT
BUSINESS DIRECTORY AND LISTING OF CURRENT FRANCHISEES

FRANCHISEES WITH OPERATIONAL LOCATIONS AS OF DECEMBER 31, 2025				
	FRANCHISE OWNER(S)	**ADDRESS**	**PHONE NUMBER**	**E-MAIL**
1.	Customized Care LLC	1211 Carolina St., Fredericksburg, VA 22401	540-469-5121	Ihab@carewithlove.com
2.	Zanzi LLC	116 W. Piccadilly St., Suite 1, Winchester, VA 22601	540-409-5949	Christine.ed@gmail.com

EXHIBIT B-2 TO FRANCHISE DISCLOSURE DOCUMENT
LISTING OF CERTAIN PAST FRANCHISEES
or Franchisees who have not been in communication within 10 weeks

No franchisees have departed the system during 2025 or have failed to communicate with us within the last 10 weeks.

EXHIBIT C
FINANCIAL STATEMENTS

Care With Love Elite, LLC

Independent Auditor's Report
And
Financial Statements
December 31, 2025 and 2024

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Metwally CPA PLLC
CERTIFIED PUBLIC ACCOUNTANT
3535 Firewheel Dr, STE D120, Flower Mound, Texas 75028
Cell: 214-200-5434 (Mohamed Metwally) Mmetwally@metwallycpa.com

Independent Auditor's Report

To the members of
Care With Love Elite, LLC

Opinion

We have audited the accompanying financial statements of Care With Love Elite, LLC (the Company), which comprise the balance sheets as of December 31, 2025 and 2024 and the related statements of operations, members' equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt the Company's ability to continue as a going concern for a reasonable period of time.

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

Metwally CPA PLLC

Metwally CPA PLLC
Flower Mound, Texas
April 10, 2026

Care With Love Elite, LLC

Balance Sheets

December 31, 2025 and 2024

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	$ 96,522	$ 55,979
Accounts receivable	10,344	8,408
Total Current Assets	**106,866**	**64,387**
Total Assets	**$ 106,866**	**$ 64,387**
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued liabilities	$ 1,402	$ -
Due to related parties	39,110	40,596
Deferred revenue, current portion	6,442	6,442
Total Current Liabilities	**46,954**	**47,038**
Long-Term Liabilities		
Deferred revenue, net of current portion	34,297	40,738
Total Long-Term Liabilities	**34,297**	**40,738**
Total Liabilities	**81,251**	**87,776**
Members' Equity (Deficit)		
Members' equity (deficit)	25,615	(23,389)
Total Members' Equity (Deficit)	**25,615**	**(23,389)**
Total Liabilities And Members' Equity (Deficit)	**$ 106,866**	**$ 64,387**

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

Care With Love Elite, LLC

Statements of Operations

Years Ended December 31, 2025 and 2024

	2025	2024
Revenues		
Royalties	$ 76,663	$ 50,092
Brand development fund	16,981	9,535
Initial franchise fees	6,441	6,442
Other income	7,292	6,332
Total Revenues	**107,377**	**72,401**
Operating Expenses		
Salaries and wages	35,537	16,274
Legal and professional	11,042	13,578
General and administrative	1,794	1,361
Total Operating Expenses	**48,373**	**31,213**
Net Income / (Loss)	**$ 59,004**	**$ 41,188**

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

Care With Love Elite, LLC

Statements of Members' Equity (Deficit)

Years Ended December 31, 2025 and 2024

Members' Equity (Deficit) At December 31, 2023	**$**	**(64,577)**
Net income / (loss)		41,188
Members' Equity (Deficit) At December 31, 2024	**$**	**(23,389)**
Net income / (loss)		59,004
Members' distributions		(10,000)
Members' Equity At December 31, 2025	**$**	**25,615**

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

Care With Love Elite, LLC

Statements of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Net income / (loss)	$ 59,004	$ 41,188
Adjustments to reconcile net income to net cash provided by operating activities		
Change in assets and liabilities		
Accounts receivable	(1,936)	(8,408)
Accounts payable and accrued liabilities	1,402	(740)
Due to related parties	(1,486)	74
Deferred revenue	(6,441)	(6,442)
Net Cash Provided By (Used In) Operating Activities	**50,543**	**25,672**
Cash Flows From Investing Activities		
Net Cash Flows Provided By (Used In) Investing Activities	-	-
Cash Flows From Financing Activities		
Members' distributions	(10,000)	-
Net Cash Flows Provided By (Used In) Financing Activities	**(10,000)**	-
Net Change In Cash And Cash Equivalents During The Year	**40,543**	**25,672**
Cash and cash equivalents - beginning of the year	55,979	30,307
Cash And Cash Equivalents - End of The Year	**$ 96,522**	**$ 55,979**

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

Care With Love Elite, LLC
Notes To Financial Statements
December 31, 2025 and 2024

1. COMPANY AND NATURE OF OPERATIONS

Care With Love Elite, LLC (the Company) was established in the state of Virginia as a limited liability Company on August 03, 2021, for the purpose of offering franchise opportunities to entrepreneurs who want to develop and operate a home care services business. The Company offers qualified individuals the right to own and operate a business providing non-medical, personal care services to clients in their homes or other residences, using the trade name or trademark "CARE WITH LOVE".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Accounting

The Company's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

B. Cash and Cash Equivalents

For purposes of the Statement of cash flows, cash equivalents include bank accounts and cash in transit for bank deposits with maturities of three months or less to be cash equivalents.

C. Accounts Receivable

Accounts Receivable arise primarily from royalties, Brand development fund, technology fees, and services and are carried at their estimated collectible amounts, net of any estimated allowances for credit losses. The measurement and recognition of credit losses involve the use of judgement. The management's assessment of expected credit losses includes consideration of current and expected economic conditions, market and industry factors affecting the Company's customers (including their financial condition), the aging of account balances, historical credit loss experience, customer concentration, and customer creditworthiness. Management evaluates its experience with historical losses and then applies this historical loss ratio to financial assets with similar characteristics. The Company's historical loss ratio or its determination of risk pools may be adjusted for changes in customer, economy, market, or other circumstances. The Company may also establish an allowance for credit losses for specific receivables when it is probable that the receivable will not be collected, and the loss can be reasonably estimated. Amounts are written off against the allowance when they are considered to be uncollectible, and reversal of previously reserved amounts are recognized if a specifically reserved item is settled for an amount exceeding the previous estimate.

As of December 31, 2025 and 2024 the allowance for credit losses is considered immaterial and accordingly, no allowance for credit losses has been recorded.

D. Federal Income Taxes

The Company has elected to be taxed for U.S. Federal, and to the extent applicable, U.S. State purposes under the provisions of Subchapter S of the Internal Revenue Code. Accordingly, federal income tax liabilities relating to the Company's profits are the stockholders' responsibility; therefore, no provision has been made for federal income taxes.

E. Concentration of Credit Risk

The Company maintains cash and cash equivalents with major financial institutions. At various times during the years, the total amount on deposit might exceed the $250,000 limit insured by the Federal Deposit Insurance Corporation (FDIC). The Company believes that it mitigates credit risk by depositing cash with financial institutions having high credit ratings.

F. Use of Estimates

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues, costs, and expenses during the reporting period. Actual results could differ significantly from those estimates. It is at least reasonably possible that a change in the estimates will occur in the near term.

G. Revenue Recognition

Revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company adopted ASU 2021-02 Franchisors - Revenue from Contracts with Customers (Subtopic 952-606) effective with the application of ASC Topic 606. The ASU provides a practical expedient to ASU2014-09 Revenue from contracts with Customers (Topic 606). The new guidance allows franchisors to simplify the application of the guidance about identifying performance obligations for franchisors that perform pre-opening services by allowing a franchisor to account for pre-opening services as distinct if they are consistent with those included in a predefined list of pre-opening services.

<u>Franchise Fees</u>
The franchise arrangement between the Company and each franchise owner is documented in the form of a franchise agreement and, in select cases, a development agreement. The franchise arrangement requires the Company as franchisor to perform various activities to support the brand and does not involve the direct transfer of goods and services to the franchise owner as a customer. Activities performed by the Company before opening are distinguished from the franchise license. Therefore, the Company recognizes franchise fees as two performance obligations. The nature of the Company's promise in granting the franchise license is to provide the franchise owner with access to the brand's intellectual property over the term of the franchise arrangement.

The transaction price in a standard franchise arrangement consists of (a) franchise/development fees; (b) Marketing, brand development, and royalties Fees and (c) IT Fees; (d) Annual Conference Fees. The Company utilize ASC 606 five-steps revenue recognition model as follows:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

The terms of the Company's franchise agreement will be as follows:

- The Company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay biweekly royalties, marketing, monthly IT, and other fees. Certain other fees are also outlined in the agreement.

Franchise revenues are recognized by the Company from the following different sources: The Company recognizes franchise fees as two (2) performance obligations. The first, pre-opening services, including access to manuals, assistance in site selection, and initial training, have been determined to be distinct services offered to franchisees. Pre-opening services are earned over a period of time using an input method of completion based on costs incurred for each franchisee at the end of each year.

The second, access to the franchise license, has been determined to be distinct. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee. Franchise and development fees are paid in advance of the franchise opening, typically when entering into a new franchise or development agreement. Fees allocated to the franchise license are recognized as revenue on a straight-line basis over the term of each respective franchise agreement. Initial franchise agreement terms are typically 10 years while successive agreement terms are typically 10 years.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty fees and brand development (advertising). These fees are based on franchisee sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license. The Company collects funds from franchisees to manage the brand level advertising, marketing, and development program. The fee is based on a percentage of the gross sales less any amount paid towards sales tax, payable biweekly.

Contracts Assets and Liabilities Balances

The Company incurs costs that are directly attributable to obtaining a contract, for example, commission fees, broker fees, and referral fees. Under ASC 606, costs that are directly associated with obtaining a contract are to be capitalized and recognized over the term of the agreement. Capitalized costs are included in deferred expenses on the accompanying balance sheet. As such, direct franchise license costs are recognized over the franchise and renewal term, which is the performance obligation, and is typically the franchise agreement's term. If a customer is terminated, the remaining deferred expense will be recognized to expenses.

Deferred revenue consists of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Deferred revenue is a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

H. Advertising and Marketing

Advertising and marketing costs are charged to operations in the years incurred.

I. Reclassifications

Certain reclassifications have been made to the 2024 financial statements in order to conform to the 2025 presentation. There were no changes to previously reported members' equity or net income as a result of the reclassifications.

J. Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments. ASU 2016-13, along with subsequent clarifications and improvements (collectively, ASC 326), replaces the incurred loss impairment methodology in prior U.S. GAAP with a methodology that instead reflects a current estimate of all expected credit losses on financial assets, including receivables. ASC 326 requires that the Company measure and recognize expected credit losses at the time the asset is recorded, while considering a broader range of information to estimate credit losses including country specific macroeconomic conditions that correlate with historical loss experience, delinquency trends, and aging behavior of receivables, among others. ASC 326 is effective for the Company beginning January 1, 2023. There was no impact on the Company's financial statements as a result of the implementation of this standard.

FASB ASU No. 2016-02 – Leases (Topic 842) is effective for the calendar year 2022. The standard requires lessees to recognize right-of-use assets and liabilities for most leases with terms longer than twelve months. The Company has evaluated the impact of this standard on its financial statements and determined that it doesn't have any lease that meet the requirement to recognize a right-of-use asset and liability because the Company doesn't have any long-term leases.

3. CASH AND CASH EQUIVALENTS

The Company maintains its cash balance in U.S. noninterest-bearing transaction accounts which are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. On December 31, 2025 and 2024, the Company's cash balance didn't exceed the FDIC insurance limit.

The Company considers all cash in the bank and investments in highly liquid debt instruments with maturities of three months or less to be cash equivalents. The Company has approximately $96,522 and $55,979 in cash at their operating bank account as of December 31, 2025 and 2024, respectively.

4. ACCOUNTS RECEIVABLE

At the years ended December 31, 2025 and 2024 accounts receivable consisted of the following:

	2025	2024
Royalties' receivable	$ 7,776	$ 7,144
Brand development fund receivable	1,554	945.00
Technology fees' receivable	114	319.00
Services' receivable	900	-
Total Accounts Receivable	**$ 10,344**	**$ 8,408**

5. RELATED PARTY TRANSACTIONS

The Company has transactions with entities under common control. As of December 31, 2025 and 2024, the Company had $39,110 and $40,596 due to related parties, respectively, these amounts represent operating expenses paid by the related party on behalf of the Company.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of Revenue

Information regarding revenues disaggregated by the timing of when goods and services are transferred consist of the following for the years ended December 31:

	2025	2024
Revenue recognized over time	$ 6,441	$ 6,442
Revenue recognized at a point in time	100,936	65,959
Total Revenue	**$ 107,377**	**$ 72,401**

Contract Balances

The following table provides information about the change in the franchise contract liability balances during the years ended December 31, 2025 and 2024, respectively. Franchise contract liability is included in deferred revenue on the accompanying balance sheets.

	2025	2024
Beginning balance	$ 47,180	53,622
Additional deferred revenue	-	-
Revenue recognized – additional deferred revenue	(6,441)	(6,442)
Deferred revenue	**40,739**	**47,180**
Less: current maturities	(6,442)	(6,442)
Deferred revenue, net of current maturities	**$ 34,297**	**$ 40,738**

7. ADVERTISING EXPENSES

Advertising costs for the years ended December 31, 2025 and 2024, were $0 and $210, respectively. These costs were expensed as incurred.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 10, 2026, which is the date the financial statements were available to be issued. The Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in, the financial statements.

Care With Love Elite, LLC

Independent Auditor's Report
And
Financial Statements
December 31, 2024 and 2023

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Metwally CPA PLLC
CERTIFIED PUBLIC ACCOUNTANT
1312 Norwood Dr STE 100, Bedford, Texas 76022
Cell: 214-200-5434 (Mohamed Metwally) Mmetwally@metwallycpa.com

Independent Auditor's Report

To the members of
Care With Love Elite, LLC

Opinion

We have audited the accompanying financial statements of Care With Love Elite, LLC (the Company), which comprise the balance sheets as of December 31, 2024 and 2023 and the related statements of operations, members' equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Care With Love Elite, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Care With Love Elite, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Care With Love Elite, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about Care With Love Elite, LLC's ability to continue as a going concern for a reasonable period of time.

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

Metwally CPA PLLC

Metwally CPA PLLC
Bedford, Texas
March 17, 2025

Care With Love Elite, LLC
Balance Sheets
December 31, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 55,979	$ 30,307
Accounts receivable	8,408	-
Total Current Assets	**64,387**	**30,307**
Total Assets	**$ 64,387**	**$ 30,307**
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued liabilities	$ -	$ 740
Due to related parties	40,596	40,522
Deferred revenue, current portion	6,442	6,442
Total Current Liabilities	**47,038**	**47,704**
Long-Term Liabilities		
Deferred revenue, net of current portion	40,738	47,180
Total Long-Term Liabilities	**40,738**	**47,180**
Total Liabilities	**87,776**	**94,884**
Members' Equity (Deficit)		
Members' equity (deficit)	(23,389)	(64,577)
Total Members' Equity (Deficit)	**(23,389)**	**(64,577)**
Total Liabilities And Members' Equity (Deficit)	**$ 64,387**	**$ 30,307**

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

Care With Love Elite, LLC
Statements of Operations
Years Ended December 31, 2024 and 2023

	2024	2023
Revenues		
Royalties	$ 50,092	$ -
Brand development fund	9,535	-
Initial franchise fees	6,442	15,378
Other income	6,332	-
Total Revenues	**72,401**	**15,378**
Operating Expenses		
Salaries and wages	16,274	57,873
Legal and professional	13,578	17,629
General and administrative	1,151	1,599
Marketing and advertising	210	104
Total Operating Expenses	**31,213**	**77,205**
Net Income / (Loss)	**$ 41,188**	**$ (61,827)**

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

Care With Love Elite, LLC
Statements of Members' Equity (Deficit)
Years Ended December 31, 2024 and 2023

Members' Equity (Deficit) At December 31, 2022	**$**	**(47,687)**
Net income / (loss)		(61,827)
Members' contributions		44,936
Members' Equity (Deficit) At December 31, 2023	**$**	**(64,577)**
Net income / (loss)		41,188
Members' Equity (Deficit) At December 31, 2024	**$**	**(23,389)**

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

Care With Love Elite, LLC
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows From Operating Activities		
Net income / (loss)	$ 41,188	$ (61,827)
Adjustments to reconcile net income to net cash provided by operating activities		
Change in assets and liabilities		
Accounts receivable	(8,408)	-
Accounts payable and accrued liabilities	(740)	(49,066)
Due to related parties	74	40,096
Deferred revenue	(6,442)	53,622
Net Cash Provided By (Used In) Operating Activities	**25,672**	**(17,175)**
Cash Flows From Investing Activities		
Net Cash Flows Provided By (Used In) Investing Activities	-	-
Cash Flows From Financing Activities		
Members' contributions	-	44,937
Net Cash Flows Provided By (Used In) Financing Activities	-	**44,937**
Net Change In Cash And Cash Equivalents During The Year	**25,672**	**27,762**
Cash and cash equivalents - beginning of the year	30,307	2,545
Cash And Cash Equivalents - End of The Year	**$ 55,979**	**$ 30,307**

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

Care With Love Elite, LLC
Notes To Financial Statements
December 31, 2024 and 2023

1. COMPANY AND NATURE OF OPERATIONS

Care With Love Elite, LLC (the Company) was established in the state of Virginia as a limited liability Company on August 03, 2021, for the purpose of offering franchise opportunities to entrepreneurs who want to develop and operate a home care services business. The Company offers qualified individuals the right to own and operate a business providing non-medical, personal care services to clients in their homes or other residences, using the trade name or trademark "CARE WITH LOVE".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Accounting

The Company's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

B. Cash and Cash Equivalents

For purposes of the Statement of cash flows, cash equivalents include bank accounts and cash in transit for bank deposits with maturities of three months or less to be cash equivalents.

C. Accounts Receivable

Accounts Receivable arise primarily from royalties, brand development fund and technology fees and are carried at their estimated collectible amounts, net of any estimated allowances for doubtful accounts. The Company provides an allowance for doubtful collections, which is based upon a review of outstanding receivables, historical collection information, existing economic conditions, and other relevant factors. The Company has determined that no allowances for doubtful accounts was necessary on December 31, 2024 and 2023.

D. Federal Income Taxes

The Company has elected to be taxed for U.S. Federal, and to the extent applicable, U.S. State purposes under the provisions of Subchapter S of the Internal Revenue Code. Accordingly, federal income tax liabilities relating to the Company's profits are the stockholders' responsibility; therefore, no provision has been made for federal income taxes.

E. Concentration of Credit Risk

The Company maintains cash and cash equivalents with major financial institutions. At various times during the years, the total amount on deposit might exceed the $250,000 limit insured by the Federal Deposit Insurance Corporation (FDIC). The Company believes that it mitigates credit risk by depositing cash with financial institutions having high credit ratings.

F. Use of Estimates

The preparation of our Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenues, costs, and expenses during the reporting period. Actual results could differ significantly from those estimates. It is at least reasonably possible that a change in the estimates will occur in the near term.

G. Revenue Recognition

Revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company adopted ASU 2021-02 Franchisors - Revenue from Contracts with Customers (Subtopic 952-606) effective with the application of ASC Topic 606. The ASU provides a practical expedient to ASU2014-09 Revenue from contracts with Customers (Topic 606). The new guidance allows franchisors to simplify the application of the guidance about identifying performance obligations for franchisors that perform pre-opening services by allowing a franchisor to account for pre-opening services as distinct if they are consistent with those included in a predefined list of pre-opening services.

Franchise Fees

The franchise arrangement between the Company and each franchise owner is documented in the form of a franchise agreement and, in select cases, a development agreement. The franchise arrangement requires the Company as franchisor to perform various activities to support the brand and does not involve the direct transfer of goods and services to the franchise owner as a customer. Activities performed by the Company before opening are distinguished from the franchise license. Therefore, the Company recognizes franchise fees as two performance obligations. The nature of the Company's promise in granting the franchise license is to provide the franchise owner with access to the brand's intellectual property over the term of the franchise arrangement.
The transaction price in a standard franchise arrangement consists of (a) franchise/development fees; (b) Marketing, brand development and royalties Fees and (c) IT Fees; (d) Annual Conference Fees. The Company utilize ASC 606 five-steps revenue recognition model as follows:

- Identify the contract with the customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations.
- Recognize revenue when (or as) each performance obligation is satisfied.

The terms of the Company's franchise agreement will be as follows:

- The Company will grant the right to use the Company name, trademark and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay biweekly royalties, marketing, monthly IT, and other fees. Certain other fees are also outlined in the agreement.
-

Franchise revenues are recognized by the Company from the following different sources: The Company recognizes franchise fees as two (2) performance obligations. The first, pre-opening services, including access to manuals, assistance in site selection, and initial training, have been determined to be distinct services offered to franchisees. Pre-opening services are earned over a period of time using an input method of completion based on costs incurred for each franchisee at the end of each year.

The second, access to the franchise license, has been determined to be distinct. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee. Franchise and development fees are paid in advance of the franchise opening, typically when entering into a new franchise or development agreement. Fees allocated to the franchise license are recognized as revenue on a straight-line basis over the term of each respective franchise agreement. Initial franchise agreement terms are typically 10 years while successive agreement terms are typically 10 years.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty fees and brand development (advertising). These fees are based on franchisee sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license. The Company collects funds from franchisees to manage the brand level advertising, marketing, and development program. The fee is based on a percentage of the gross sales less any amount paid towards sales tax, payable biweekly.

Brand Development Fund

The Company collects funds from franchisees to manage the brand level advertising, marketing and development program. The fee is based on a percentage of the gross sales, less any amount paid towards sales tax, payable biweekly.

Contracts Assets and Liabilities Balances

The Company incurs costs that are directly attributable to obtaining a contract, for example, commission fees, broker fees, and referral fees. Under ASC 606, costs that are directly associated with obtaining a contract are to be capitalized and recognized over the term of the agreement. Capitalized costs are included in deferred expenses on the accompanying balance sheet. As such, direct franchise license costs are recognized over the franchise and renewal term, which is the performance obligation, and is typically the franchise agreement's term. If a customer is terminated, the remaining deferred expense will be recognized to expenses.
Deferred revenue consists of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Deferred revenue is a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

H. Advertising and Marketing

Advertising and marketing costs are charged to operations in the years incurred.

I. Recent Accounting Pronouncements

FASB ASU No. 2016-02 – Leases (Topic 842) is effective for the calendar year 2022. The standard requires lessees to recognize right-of-use assets and liabilities for most leases with terms longer than twelve months. The Company has evaluated the impact of this standard on its financial statements and determined that it doesn't have any lease that meet the requirement to recognize a right-of-use asset and liability because the Company doesn't have any long-term leases.

3. CASH AND CASH EQUIVALENTS

The Company maintains its cash balance in U.S. noninterest-bearing transaction accounts which are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. On December 31, 2024 and 2023, the Company's cash balance doesn't exceed the FDIC insurance limit.

The Company considers all cash in the bank and investments in highly liquid debt instruments with maturities of three months or less to be cash equivalents. The Company has approximately $55,979 and $30,307 in cash at their operating bank account as of December 31, 2024 and 2023, respectively.

4. ACCOUNTS RECEIVABLE

At the years ended December 31, 2024 and 2023 accounts receivable consisted of the following:

	2024	2023
Royalties' receivable	$ 7,144	$ -
Brand development fund receivable	945	-
Technology fees' receivable	319	-
Total Accounts Receivable	**$ 8,408**	**$ -**

5. RELATED PARTY TRANSACTIONS

The Company has transactions with entities under common control. As of December 31, 2024 and 2023, the Company had $40,596 and $40,522 due to related parties, respectively, these amounts represent operating expenses paid by the related party on behalf of the Company.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of Revenue

Information regarding revenues disaggregated by the timing of when goods and services are transferred consist of the following for the years ended December 31:

	2024	2023
Revenue recognized over time	$ 6,442	$ 15,378
Revenue recognized at a point in time	65,959	-
Total Revenue	**$ 72,401**	**$ 15,378**

Contract Balances

The following table provides information about the change in the franchise contract liability balances during the years ended December 31, 2024 and 2023, respectively. Franchise contract liability is included in deferred revenue on the accompanying balance sheets.

	2024	2023
Beginning balance	$ 53,622	$ -
Additional deferred revenue	-	69,000
Revenue recognized – additional deferred revenue	(6,442)	(15,378)
Deferred revenue	**47,180**	**53,622**
Less: current maturities	(6,442)	(6,442)
Deferred revenue, net of current maturities	**$ 40,738**	**$ 47,180**

7. ADVERTISING EXPENSES

Advertising costs for the years ended December 31, 2024 and 2023, were $210 and $104, respectively. These costs were expensed as incurred.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 17, 2025, which is the date the financial statements were available to be issued. The Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in, the financial statements.

EXHIBIT D
STATE SPECIFIC ADDENDUM TO
FRANCHISE AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC STATES

If any one of the following Riders to the Franchise Agreement for Specific States ("Riders") is checked as an "Applicable Rider" below, then that Rider shall be incorporated into the Franchise Agreement entered into by CARE WITH LOVE ELITE, LLC and the undersigned Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Franchise Agreement, the terms of the Applicable Rider shall supersede the terms of the Franchise Agreement.

Applicable Rider

☐ California
☐ Maryland
☐ Virginia
☐ Washington

CARE WITH LOVE ELITE, LLC

By: _____
Name:_____
Title:_____

_____
FRANCHISEE (Print Name)

By: _____
Name: _____
Title: _____

6071428v4.AJD.32287.G57915

CALIFORNIA APPENDIX FOR OFFERINGS
OF THE CARE WITH LOVE FRANCHISES IN CALIFORNIA

Each provision of this California addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of California law are met independently without reference to this addendum. Each provision of this California addendum shall be enforceable only to the extent required by applicable California franchise law.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH A COPY OF THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

REGISTRATION OF THIS FRANCHISE DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION.

1. OUR WEBSITE (CAREWITHLOVE.COM) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

2. Neither we nor any person or franchise broker listed in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a, et seq., suspending or expelling such persons from membership in such association or exchange.

3. Item 5 of the disclosure document is supplemented by the following language:

   The California Department of Financial Protection and Innovation requires that we defer your obligation to pay initial fees under the Franchise Agreement until your Franchised Business is open and we have met our initial obligations. Therefore, during the period that such fee deferral requirement is imposed on us ("Fee Deferral Period"), you will not be required to pay the initial fees under the Franchise Agreement until you begin operating your Franchised Business and we have met our initial obligation. Immediately upon notice from us that the Fee Deferral Period has ended, you must pay the full, initial franchise fee and all other initial fees and amounts as provided in the Franchise Agreement.

4. Item 17 Additional Paragraphs:

   a. California Business and Professions Code sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

   b. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec.

101, et seq.).

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

d. The Franchise Agreement requires binding arbitration. The arbitration will occur at Fairfax, Virginia with the costs being borne by each party. The dispute provision in the Franchise Agreement provides for payment by the losing party of the prevailing party's attorneys' fees and costs of litigation.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as business and Professions Code Section 20040.S, Code of Civil Procedures 1281, and the Federal Arbitrations Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

e. The Franchise Agreement requires application of the laws of Virginia. This provision may not be enforceable under California law.

f. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

5. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

6. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000through 20043).

7. Corporation Code 31512 provides that: "Any conditions, stipulation, or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of this law or any rule or order hereunder is void."

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

9. Any provision of a Franchise Agreement, Franchise Disclosure Agreement, acknowledgment, questionnaire, or other writing, including any exhibit thereto disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

a. Representations made by the franchisor or its personnel or agents to a prospective franchisee.

b. Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

c. Reliance by a franchisee on the Franchise Disclosure Document, including any exhibit thereto.

d. Violations of any provisions of this division.

10. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representation it makes to you, or (iii) violation of any provision of the division.

11. The financial performance representation figures do not reflect costs of sales, operating expenses, or other costs and expenses that must be deducted from the gross revenues or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchises or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

MARYLAND

Each provision of this Maryland addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of Maryland law are met independently without reference to this addendum. Each provision of this Maryland addendum shall be enforceable only to the extent required by applicable Maryland franchise law.

1. Item 5 is revised to include the following:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. Item 11 is revised to include the following:

We are required to provide you an accounting of the advertising fund under Maryland law. You may obtain an unaudited accounting by making a written request to our Chief Financial Officer with sixty (60) days' prior notice at the following address: 900 Northwest Blvd., Winston-Salem, North Carolina 27101.

3. Item 17 is revised to provide that, to the extent required by Maryland law, a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. This shall not restrict arbitration from occurring and occurring outside of Maryland.

4. Item 17(c) (renewal) and 17(m) (transfer) are revised to provide that, to the extent required by Maryland law, the requirement to sign a general release as a condition of renewal or consent to an assignment, or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. Item 17 is revised to provide that to the extent required by Maryland law, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

6. The Franchise Disclosure Document is revised to include:

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

Franchise Agreement:

1. Section 17(a) of the Franchise Agreement is revised to provide that termination upon bankruptcy might not be enforceable under the U.S. Bankruptcy Act.
2. The Franchise Agreement is revised to include the following language:

"Notwithstanding the provisions of this Agreement to the contrary, to the extent required by Maryland law, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. To the extent required by Maryland law, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

3. The Franchise Agreement is revised to include the following language:

"To the extent required by Maryland law, all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

4. The Franchise Agreement is revised to include the following language:

"Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement."

5. The Franchise Agreement is revised to include the following language:

"Pursuant to COMAR 02.02.08.16L, and to the extent required by Maryland law, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

6. The Franchise Agreement is revised to include the following language:

"This agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable."

7. The Franchise Agreement is revised to include the following language:

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

Each provision of this Addendum to the Franchise Agreement shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

CARE WITH LOVE ELITE, LLC

By: _____
Name: _____
Title: _____
Date:_____

INDIVIDUAL FRANCHISEES ("You")

By: _____ _____
Name: _____ Date
Title: _____

By: _____ _____
Name: _____ Date
Title: _____

CORPORATE FRANCHISEE ("You")

_____ _____
(Corporate/LLC Name) (State of Incorporation/Organization)

By: _____ _____
Name: _____ Date
Title: _____

By: _____ _____
Name: _____ Date
Title: _____

VIRGINIA

Each provision of this Virginia addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of Virginia law are met independently without reference to this addendum. Each provision of this Virginia addendum shall be enforceable only to the extent required by applicable Virginia franchise law.

Disclosure Document.

The following statements are added to Item 17.h.

> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The following statements are added to the FDD and Franchise Agreement

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

3. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

The following risk factor is added:

> **Estimated Initial Investment.** The franchisee will be required to make an estimated initial investment ranging from $132,043 to $207,268. This amount exceeds the franchisor's stockholders equity as of December 31, 2025, which is $_____.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5 is revised to include the following:

Based upon the franchisor's financial condition, the Washington Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations to the franchisee under the franchise agreement and the franchisee is open for business.

20. The following section 4(h) is removed from the Franchise Agreement:

FRANCHISEE AGREES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY TRAINING OR ASSISTANCE TO FRANCHISEE'S PARTICULAR LEVEL OF SATISFACTION, BUT AS A FUNCTION OF FRANCHISOR'S EXPERIENCE, KNOWLEDGE AND JUDGMENT. FRANCHISEE ALSO ACKNOWLEDGES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY SERVICES TO FRANCHISEE THAT ARE NOT SET FORTH IN THIS AGREEMENT. IF FRANCHISEE BELIEVES FRANCHISOR HAS FAILED TO ADEQUATELY PROVIDE ANY PREOPENING SERVICES TO FRANCHISEE, WHETHER WITH RESPECT TO SITE SELECTION, SELECTION AND PURCHASE OF EQUIPMENT AND SUPPLIES, TRAINING, OR ANY OTHER MATTER AFFECTING THE ESTABLISHMENT OF THE FRANCHISED BUSINESS, FRANCHISEE MUST NOTIFY FRANCHISOR IN WRITING WITHIN THIRTY (30) DAYS FOLLOWING THE OPENING OF THE FRANCHISED BUSINESS OR FRANCHISEE WILL BE DEEMED TO CONCLUSIVELY ACKNOWLEDGE THAT ALL PRE-OPENING SERVICES REQUIRED TO BE PROVIDED BY FRANCHISOR WERE SUFFICIENT AND SATISFACTORY IN FRANCHISEE'S JUDGMENT, AND COMPLIED WITH ALL REPRESENTATIONS MADE TO FRANCHISEE. IF FRANCHISEE FAILS TO SO NOTIFY FRANCHISOR, FRANCHISEE WILL BE DEEMED TO HAVE WAIVED ALL CLAIMS RELATING TO OR ARISING FROM FRANCHISOR'S OBLIGATIONS TO PROVIDE PREOPENING ASSISTANCE.

21. The following paragraph is removed from Section 23(c) of the Franchise Agreement:

Franchisee expressly acknowledges that no oral promises or declarations were made to it and that the obligations of the Franchisor are confined exclusively to those set forth in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise

22. The following paragraph is removed from Section 23(e) of the Franchise Agreement:

Amendments. Franchisor reserves the right to amend this Agreement if a Franchise Agreement change proposed by Franchisor is agreed to by Seventy Five Percent (75%) of the then-current Franchisees. Further, except for those permitted to be made unilaterally by Franchisor, no supplement, amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

23. The following paragraph is removed from Section 23 of the Franchise Agreement:

NOTWITHSTANDING THE FOREGOING, IF FRANCHISOR ENGAGES ANY BROKER, THAT BROKER WILL BE SOLELY LIABLE FOR ITS CONDUCT WITH FRANCHISEE EXCEPT THAT FRANCHISOR WILL REMAIN LIABLE FOR THE BROKER'S CONDUCT SOLELY TO THE EXTENT OF FRANCHISOR'S OWN CRIMINAL, INTENTIONAL OR GROSSLY NEGLIGENT CONDUCT IN ENGAGING THE BROKER.

The undersigned parties do hereby acknowledge receipt of this Addendum.
Dated this _____ day of _____20___.

Signature of Franchisor Representative	Signature of Franchisee Representative
Title of Franchisor Representative	Title of Franchisee Representative

EXHIBIT E
FEDERAL AND STATE REGULATORY AUTHORITIES

FEDERAL TRADE COMMISSION

Franchise Rule Coordinator
Federal Trade Commission Division of Marketing Practices
Pennsylvania Avenue at Sixth Street, N.W., Room 238
Washington, D.C. 20580
Telephone: (202) 326-2970

STATE FRANCHISE REGULATORS AND AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed.

CALIFORNIA:
Commissioner of Financial Protection & Innovation
Dept. of Financial Protection and Innovation
320 West 4th St., Ste. 750
Los Angeles, California 90013
Telephone: (213) 576-7500 or
Toll Free Telephone: (866) 275-2677

CONNECTICUT:
Eric Wilder, Director of Securities
Connecticut Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103-1800
Telephone: (860) 240-8233

HAWAII:
Commissioner of Securities
of the State of Hawaii
Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
Telephone: (808) 586-2722

ILLINOIS (Registered Agent):
F. Chet Taylor, Director of Securities
Office of the Secretary of State
Securities Department
69 West Washington Street, Suite 1220
Chicago, IL 60602
Telephone: (312) 793-3884

ILLINOIS (Regulatory Authority):
Kwame Raoul
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
Telephone: (217) 782-4465

INDIANA:
Chris Naylor, Securities Commissioner
Franchise Section
Indiana Securities Division
Secretary of State
Room E-111
302 West Washington Street
Indianapolis, IN 46204
Telephone: (317) 232-6681

IOWA:
Jim Mumford, Securities Administrator
Director of Regulated Industries Unit
Iowa Securities Bureau
330 Maple Street
Des Moines, IA 50319-0066
Telephone: (515) 281-5705

MARYLAND (Registered Agent):
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
Telephone: (410) 576-6360

MARYLAND (Regulatory Authority):
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202-2020
Telephone: (410) 576-6360

MICHIGAN (Regulatory Authority):
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
525 W. Ottawa Street
Lansing, MI 48909
Telephone: (517) 373-1152

MICHIGAN (Registered Agent):
Linda Cena, Securities Director
Office of Financial & Insurance Regulation
525 West Allegan
1st Floor Constitution Hall
Lansing, MI 48909
Telephone: (517) 241-6345

MINNESOTA (Regulatory Authority):
Minnesota Dept. of Commerce
Securities-Franchise Registration
85 7th Place East, Suite 280
Saint Paul, MN 55101-2198
Telephone: (651) 539-1500

MINNESOTA (Agent for Service of Process):
Commissioner of Commerce
85 7th Place East, Suite 280
Saint Paul, MN 55101-2198
Telephone: (651) 539-1500

NEW YORK (Administrator/Regulatory Authority)
New York State Department of Law
Investor Protection Bureau
28 Liberty St., 21st FL
New York, NY 10005
Telephone: (212) 416-8222

NEW YORK (Agent for Service of Process)
Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA:
North Dakota Insurance & Securities Department
Fifth Floor State Capitol, Dept. 414
600 East Boulevard
Bismarck, ND 58505-0510
Telephone: (701) 328-2910

OKLAHOMA:
Oklahoma Securities Dept.
First National Center
120 N. Robinson Suite 860
Oklahoma City, OK 73102
Telephone: (405) 280-7700

RHODE ISLAND:
Division of Securities
1511 Pontiac Ave.
John O. Pastore Complex, Bld 69-1
Cranston, RI 02920
Telephone: (401) 462-9500

SOUTH DAKOTA:
Division of Insurance
Securities Regulation
124 S. Euclid, Ste. 104
Pierre, SD 57501
Telephone: (605) 773-3563

TEXAS:
Hope Andrade
Secretary of State
P.O. Box 12697
Austin, TX 78711-2697
Telephone: (512) 463-5701

UTAH:
Division of Consumer Protection
Utah Department of Commerce
160 East 300 South
SM Box 146704
Salt Lake City, UT 84114-6704
Telephone: (801) 530-6601

VIRGINIA (Registered Agent):
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
Telephone: (804) 371-9733

VIRGINIA (Regulatory Authority)
State Corporation Commission,
Division of Securities and Retail
Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
Telephone: (804) 371-9051

WASHINGTON:
Address for Service of Process:
Department of Financial Institutions
Securities Division
150 Israel Road, SW
Tumwater, WA 98501
Telephone: (360) 902-8760

Mailing Address:
Department of Financial Institutions
Securities Division
PO Box 41200
Olympia, WA 98504-1200

WISCONSIN:
Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701
Telephone: (608) 266-3364

EXHIBIT F

CARE WITH LOVE FULL AND FINAL GENERAL RELEASE

[SAMPLE OF GENERAL RELEASE APPLICABLE UPON TRANSFER OR SUCCESSOR FRANCHISE. NOT FOR EXECUTION WITH THE FRANCHISE AGREEMENT]

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant to fully and mutually release the other as follows:

1. The Franchisee and its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, officers, directors, principals, employees and affiliated parties (collectively, the "Franchisee Parties") do hereby release and forever discharge Franchisor, its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, officers, directors, principals, employees and affiliated parties (collectively, the "Franchisor Parties") from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, including, without limitation: (a) arising out of or related to the Franchisor Parties' obligations under the franchise agreement or (b) otherwise arising from or related to the Franchisee Parties' relationship, from the beginning of time to the date of Franchisee's signature below, with any of the Franchisor Parties. Notwithstanding the foregoing, this General Release does not apply to any claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

2. Franchisee, on its own behalf and on behalf of the other Franchisee Parties, further covenant not to sue any of the Franchisor Parties on any of the claims released by the preceding paragraph and represent that Franchisee has not assigned any such claims released by the preceding paragraph to any individual or entity who is not bound by this Release. It is understood and agreed that this Release is not to be construed as an admission of liability with respect to the Franchisor Parties.

3. The consideration expressly mentioned herein is the only consideration paid or to be paid by said parties hereby released. The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, or representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the parties' respective claims, of whatever nature are hereby fully and forever released, compromised and settled. Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the undersigned parties never to sue any of the other parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth.

4. This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all agreements on this subject matter, whether written or oral. The terms contained herein may not be modified or amended

except in writing signed by the parties. The terms of this Release are contractual and not a mere recital.

5. The undersigned further state that they have carefully read the foregoing instrument; that they know the contents thereof; that they understand and agree to each and every term and condition contained herein; that they signed the same as their own free act and deed; and that they have not assigned any rights released hereunder to any person or organization, private or governmental.

6. The parties hereby covenant and agree that each shall not make, at any time or place, any disparaging remarks, verbally or in writing, concerning any of the parties' actions or perceived omissions, regarding any matter connected with this Release Agreement or otherwise take any action that would disparage or cast doubt upon the business acumen or judgment of any other party. Each party understands and acknowledges that each other party's business and reputation are of special, unique, and extraordinary character, which gives them a particular value, the loss of which cannot reasonably be compensated in damages in an action at law. Accordingly, each party further agrees that in addition to any other rights or remedies that any other party may possess at law, any aggrieved party shall be entitled to injunctive and other equitable relief in order to prevent or remedy a breach of the provisions of this Agreement by any other party hereto.

7. The terms of this Release arose from discussions between the parties. Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question.

8. This Release shall be governed by and construed pursuant to the laws of the State of Virginia.

9. This Release may be executed in two copies, each of which shall be deemed an original.

IF THE FRANCHISED BUSINESS FRANCHISEE OPERATES UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF FRANCHISEE IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY FRANCHISEE OR THE FRANCHISEE PARTIES. FRANCHISEE RECOGNIZES THAT FRANCHISEE OR THE FRANCHISEE PARTIES MAY HAVE SOME CLAIM, DEMAND OR CAUSE OF ACTION AGAINST THE FRANCHISOR PARTIES OF WHICH FRANCHISEE, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH FRANCHISEE, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE FRANCHISEE, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT FRANCHISEE, HIM, HER, OR

IT FROM ASSERTING IT AGAINST THE FRANCHISOR PARTIES. IN FURTHERANCE OF THIS INTENTION, FRANCHISEE, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, EXPRESSLY WAIVES ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN THE CREDITOR'S FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY THE CREDITOR MUST HAVE MATERIALLY AFFECTED THE CREDITOR'S SETTLEMENT WITH THE DEBTOR."

FRANCHISEE ACKNOWLEDGES AND REPRESENTS THAT FRANCHISEE HAS CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT FRANCHISEE UNDERSTANDS ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENTS THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Franchised Business is located in Maryland or if Franchisee is a resident of Maryland, the following shall apply: Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

All releases given by the Parties are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Parties represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Releasing Parties, in the Releasing Parties independent judgment, believe necessary or appropriate.

[FRANCHISEE]	
_____	CARE WITH LOVE ELITE, LLC
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

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EXHIBIT G
ACH/EFT TRANSFER AGREEMENT

The undersigned depositor ("Franchisee" or "Payor") hereby authorizes CARE WITH LOVE ELITE, LLC ("Franchisor" or "Payee") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the bank designated below ("Bank") to debit or credit such account(s) pursuant to Franchisor's instructions.

Name of Person or Legal Entity of Franchisee: _____
Bank: _____
Branch: _____
City: _____State: _____ Zip Code: _____
Bank Transit/ABA Number: _____
Account Number: _____

This authority is to remain in full and force and effect until sixty (60) days after Franchisor has received written notification from Franchisee of its termination.

FRANCHISEE/PAYOR:

By: _____
Name: _____
Title: _____
Date: _____

INDEMNIFICATION AGREEMENT

To the above named Payee and the Bank designated:

The Payor agrees with respect to any action taken pursuant above authorization:

1. To indemnify the Bank and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Bank in the regular course of business for the purpose of payment, including any costs or expenses reasonably in collection therewith.

2. To indemnify Payee and the Bank for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

3. To defend at Payor's cost and expense any action which might be brought by any depositor or any other persons because of any actions taken by the Bank of Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Bank's or Payee's participation therein.

BE SURE THAT ALL INFORMATION ASKED FOR IS PROVIDED

EXHIBIT H

BRAND STANDARDS MANUAL TABLE OF CONTENTS

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EXHIBITS **126-140**

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	Pending
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Pending
Michigan	Not Registered
Minnesota	Not Registered
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Pending
Washington	Pending
Wisconsin	Not Registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT I
RECEIPT

This disclosure document summarized certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If CARE WITH LOVE ELITE, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires you to you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this Franchise Disclosure Document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If CARE WITH LOVE ELITE, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed on Exhibit E. CARE WITH LOVE ELITE, LLC authorizes the state agencies identified on Exhibit E as its registered agent authorized to receive service of process. CARE WITH LOVE ELITE, LLC's registered agent in Virginia is PJI Law, PLC at 3900 Jermantown Rd Ste 220, Fairfax, VA, 22030.

The name, principal business address and telephone number of each franchise seller offering the franchise is:

☐	☐	☐
Nefr Michaels 10505 Braddock Rd, Suite 4A Fairfax, VA 22032 703-665-1130	Wessam Michaels 10505 Braddock Rd, Suite 4A Fairfax, VA 22032 703-665-1130	

Issuance Date: April 10, 2026

I have received a disclosure document with an Issuance Date of April 10, 2026, that included: Exhibit A -- CARE WITH LOVE Franchise Agreement and Attachments, Exhibit B-1 – Outlet Directory/Listing of Current Franchisees; Exhibit B-2 – Listing of Certain Past Franchisees; Exhibit C – Financial Statements; Exhibit D – State Specific Information; Exhibit E – Federal and State Regulators and Agents for Service of Process; Exhibit F -- General Release Agreement; Exhibit G – ACH/EFT Agreement; Exhibit H – Brand Standards Manual Table of Contents; Exhibit I – Receipts

_____ _____
Date Prospective Franchisee

You may return one copy of this receipt by signing, dating and mailing it to CARE WITH LOVE ELITE, LLC, Franchise Administration, at 10505 Braddock Rd Suite 4A, Fairfax, VA 22032, 703-665-1130 or by sending it via email to franchising@carewithlove.com

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_____ _____

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