FRANCHISE DISCLOSURE DOCUMENT

CK Franchising, Inc.
An Ohio Corporation
1 Park Plaza, Suite 300
Irvine, CA 92614
(949) 988-6655
admin@comfortkeepers.com
www.comfortkeepers.com
www.comfortkeepersfranchise.com

The franchised business is a distinctive business that operates under the Comfort Keepers® trade name. Our business provides in-home care for the elderly and other adults who need assistance in daily living, including homemaker/companionship care, personal care, and personal technology services and equipment. In addition, certain qualified franchisees may also offer approved private duty nursing services.

The total investment necessary to begin operations of a Comfort Keepers® franchise is from $100,050 to $171,200. This includes $50,000 that must be paid to the franchisor or an 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, the franchisor or an affiliate in connection with the proposed franchise sales. **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 the availability of disclosures in different formats, contact the Comfort Keepers® Franchise Development Department at 1 Park Plaza, Suite 300, Irvine, CA 92614; (949) 988-6655.

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: March 23, 2023, as amended November 3, 2023

How to Use This Franchise Disclosure Document

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

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

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 Ohio. 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 Ohio than in your own state.

2. **Mandatory minimum payments**. You must make minimum royalty and 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.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise
1st Floor
525 West Ottawa
Lansing, Michigan 48933
(517) 373-7117

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COMFORT KEEPERS®
FRANCHISE DISCLOSURE DOCUMENT

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

The Franchisor

The franchisor is CK Franchising, Inc. ("CKFI," "we," "us" or "our"). "You" means the person(s) or entity (corporation, partnership, limited liability company, or other entity) to whom we grant a franchise. If you are an entity, "you" does not include your owners, who are described as "Related Parties." (See Item 15 of this disclosure document).

We were incorporated under Ohio law on February 8, 1999. On February 7, 2003, we restated our charter to effect a recapitalization that resulted in a substantial increase in our authorized capital and our outstanding capital stock. As a result of the recapitalization, February 7, 2003 is considered the date of our inception for accounting purposes. Our principal business office is located at 1 Park Plaza, Suite 300, Irvine, CA 92614.

We conduct business under our corporate name and under the name "Comfort Keepers." We do not do business under any other name, although we offer a line of personal technology services and equipment branded with the SafetyChoice® mark, but associated with the COMFORT KEEPERS® mark. We also offer Comfort Keepers® services in shared housing we operate for groups of up to four seniors under the name "LifeSelect by Comfort Keepers." If we have an agent in your state for service of process, that agent's name and address is listed in Exhibit B-2.

We have been in the business of granting Comfort Keepers® franchises and assisting franchisees since March 1999. In addition, since June 2008, we have been offering personal technology services and equipment branded with the SafetyChoice® mark and supplying those same services and equipment to our franchisees for resale by them. In October 2013, we began providing Comfort Keepers services in shared housing we operate for groups of up to four seniors under the LifeSelect™ mark. In July 2017, we began offering the Marketplace, an internet portal/website that provides access to non-core value added services for Clients via affiliates and third party partners.

We operated a business similar to the Comfort Keepers franchise in Toledo, Ohio between March 1999 and December 2003, when we franchised the business to a manager. Since March 2012, we have operated franchised Comfort Keepers businesses on behalf of SDX Home Care Operations, L.L.C. ("SDX"), an affiliate and franchisee. See Item 20 of this disclosure document. We have never sold franchises for any other line of business.

Predecessors, Parents, and Affiliates

We are wholly-owned by CK Holdco, Inc. ("CK Holdco") which is a Delaware corporation and is located at our address. CK Holdco is wholly-owned by Elevate Care International Inc. ("ECI"), a Delaware corporation. ECI is wholly-owned by Elevate Care International Midco LP ("Midco"), a Delaware limited partnership. Midco is wholly-owned by Elevate Care International

Holdco LP ("Holdco"), a Delaware limited partnership. Holdco is wholly-owned by Elevate Care International Aggregator LP ("Aggregator"}, a Delaware limited partnership. Aggregator is wholly-owned by Elevate Care International Topco LP ("Topco"), a Delaware limited partnership. Topco is owned by Elevate Care International GP LLC ("International"), a Delaware limited liability company, and HCP V CK LP ("HCP"), a Delaware limited partnership. ECI, Midco, Holdco, Aggregator, Topco, International and HCP were organized on September 13, 2013 and the principal office of each is 1133 Connecticut Avenue, NW, Suite 300, Washington, DC 20015.

We currently have no affiliate (an entity controlled by, controlling, or under common control with, us) that supplies goods or services to our franchisees or that offers franchises in the United States in any line of business.

We have three affiliates in Europe that offer franchises. Our affiliate Amelis Développement et Franchise ("Amelis") offers franchises for businesses similar to the franchise offered under this disclosure document, which operate under the trademark AMELIS GROUPE SODEXO. Amelis has been operating businesses similar to those franchises since 2005 in France and began franchising in France in March 2014. It has 4 open franchises. Amelis has its principal business office at 5 rue Jules Lefebvre, 75009 Paris, France.

Our affiliate Prestige Nursing (Franchise) Limited ("Prestige") offers franchises for businesses similar to the franchise offered under this disclosure document, which operate under the trademark Prestige Nursing and Care. Prestige has been operating businesses similar to those franchises since 1971 in the United Kingdom and began franchising in the United Kingdom in July 1996. It has 2 open franchises. Prestige has its principal business office at The Kirkgate, 19-31 Church Street, Epsom, Surrey KT17 4PF UK.

Our affiliate Prima Omsorg AS ("Prima") offers franchises for businesses similar to the franchise offered under this disclosure document, which operate under the trademark Prima Omsorg. Prima has been operating businesses similar to those franchises since 2005 in Norway and began franchising in Norway in June 2006. It has 3 open franchises. Prima has its principal business office at Østensjøveien 36, 0667 Oslo, Norway.

We have no predecessor (a company from which we received a majority of our assets).

The Comfort Keepers® Franchise

The business that you will operate under a Franchise Agreement with us ("Franchised Business") provides homemaker/companionship and personal care services for the elderly and other adults who need assistance in daily living, as well as personal technology services and equipment. Care typically is provided in the Client's home but may also be provided in other facilities, such as assisted living facilities. Homemaker/companionship services include companionship, meal preparation, light housekeeping, grocery and clothing shopping, grooming and dressing guidance, and assistance with recreational activities. Personal care services relate to core activities of daily living, such as eating, bathing and dressing. You will design a customized care plan for each Client, whose care needs may range from periodic care to 24/7 live-in care. The majority of your Clients will be private pay Clients. You may also choose to seek authorization from state agencies to provide Medicaid-waiver services, although we recommend that you focus

your efforts on private pay Clients. You will perform background checks on and hire employees to provide care services after you have given them training in accordance with our and/or applicable law requirements.

You may also offer personal technology services and equipment such as personal emergency response systems, medication management systems, and related monitoring and other services that are branded with the SafetyChoice® mark but are associated with the Comfort Keepers® mark (together, "Personal Technology Services"). You may also sell or lease personal technology equipment, without related services, that is branded with the SafetyChoice® mark and associated with the Comfort Keepers® mark ("Equipment"). You may also offer services that we make available through the Marketplace. You may also offer other ancillary services that we approve.

We may also authorize you to offer private duty nursing services ("PDN Services") if you meet the following criteria: you receive prior approval from an authorized representative of CKFI, you must ensure the registered nurse who supervises your PDN Services (R.N. Supervisor) is trained appropriately, you satisfy applicable state licensure requirements and remain in good standing, you maintain specified insurance for PDN Services, you adhere to the current PDN standards in the Manual, and you utilize our recommended provider of learning management systems in training your employees and consultants.

You will operate the Franchised Business under the Comfort Keepers® trade name, service marks and trademarks and other marks that we own (collectively, "Marks"). (See Item 13 of this disclosure document)

The Market and Competition

People 65 years old and older make up the primary market for care for Comfort Keepers® franchisees. The rest are other adults who need extra assistance in daily living. Statisticians currently estimate that there are nearly 54 million people in the U.S. who are age 65 or older.

There is an increasing number of competitors in the in-home care field that provide services similar to those that Comfort Keepers® franchisees offer. These range from individual caregivers, web-based intermediaries and caregiver matching and referral services to large national competitors, including other franchised systems. In addition, there are other competitors that focus primarily on provision of medical-related services such as in-home skilled nursing care, providing homemaker/companionship and personal care services as a sideline. There are also several companies that provide personal technology services and equipment without providing client care services. In offering the services described above, and as you offer other services or products that we may approve in the future, you will compete directly with other companies that provide services of that type.

Specialized Industry Regulation

Regulations vary from state to state regarding the services a Franchised Business will offer and provide. In an increasing number of states, these services are covered by regulations that apply to home health care and/or personal care providers. These regulations may, for example, affect the establishment or operation of your Franchised Business, require specific training for you and

your employees, or require licensure, accreditation, or registration of your Franchised Business and/or your employees. In addition, there may be federal and state wage and hour laws and regulations that apply to the provision of in-home care. See Exhibit G for a summary of some of these laws and regulations.

You must obtain and maintain all required licenses and accreditations and comply with all applicable laws and regulations. In some states, there may be a lengthy process to obtain a required license or accreditation. Although we may provide non-legal advice and assistance regarding your application and the process to obtain the state license, accreditation or certification for homemaker/companionship and personal care services, if any, your state requires, it is your obligation to comply with these and all state and federal laws and regulations. You should consult competent legal counsel regarding the laws and regulations that may apply to your Franchised Business. You should also be aware of any pending or future legislation that may affect your Franchised Business.

The federal Health Insurance Portability and Accountability Act ("HIPAA"), which governs the privacy of health information, applies to the operations of the Franchised Business and you and your employees must comply with it. We as a franchisor are HIPAA-compliant, provide training on HIPAA in the initial training program, and require all of our franchisees to operate in compliance with HIPAA. To that end, you will sign a HIPAA Business Associate Agreement with us as part of the Franchise Agreement.

In addition, you must comply with all applicable federal, state, and local laws and regulations, regardless of whether these are industry-specific, including applicable data protection laws in the use and processing of customer personal data, OSHA, wage and hour laws, tax laws, zoning laws, and similar laws and regulations. If CKFI chooses to provide you with information regarding legislative or other legal developments that may affect your Franchised Business, this does not relieve you of the responsibility to consult with your own legal advisor. You are solely responsible for complying with all legal requirements relating to your Franchised Business.

Defined Terms

In addition to the definitions given throughout this disclosure document, we use the following definitions in this disclosure document:

"System" means the various methods of operation, advertising methods, training methods, and the like, that we license to you under the Franchise Agreement.

"Network" means all Comfort Keepers® Franchised Businesses and any units owned by SDX ("company-owned Units"). As of August 31, 2022, SDX owned 105 Comfort Keepers® Franchised Businesses. These Franchised Businesses are counted as company-owned Units solely for purposes of Item 20 of this disclosure document.

"Client" means the recipient of any services that are provided under the Franchise Agreement or, as the context indicates, provided by other Comfort Keepers® franchisees under their Franchise Agreements and/or the person or entity paying for those services. In some cases, the care recipient is also the payor.

"Office" means the physical facility from which you operate the Franchised Business.

"Start-up Agreement" means a Franchise Agreement for the first Franchised Business a franchisee opens but excludes a Franchise Agreement for a Franchised Business acquired through a transfer.

"Expansion Agreement" means a Franchise Agreement that a franchisee signs for an additional Franchised Business when he or she is already a franchisee under a Franchise Agreement, including a Franchise Agreement for a Franchised Business acquired through a transfer or a territorial swap.

"NBF Addendum" means the National Brand Fund Addendum to the Franchise Agreement, which you will sign as part of the Franchise Agreement. See Item 11 of this disclosure document.

Referral Program

We have a referral program for franchisees, their employees, and our employees, subject to certain qualifications. If any of them refers a qualified candidate who executes a Franchise Agreement, we will pay the referring person $5,000, subject to his or her meeting our qualifications. We may cancel or modify this referral program at any time.

ITEM 2.
BUSINESS EXPERIENCE

Scott Plumridge, Director

Scott Plumridge has been a Director since November 2023. He has been the Managing Partner of The Halifax Group in Washington, DC since May 2005.

Molly Fitzpatrick, Director

Molly Fitzpatrick has been a Director since November 2023. She has been President of The Halifax Group in Washington, DC since December 2021. From January 2019 to December 2021, Molly was a Director of Rallyday Partners in Denver, Colorado.

Natalie Black, Director

Natalie Black has been a Director since February 2021. From September 2021 to November 2023, she served as Chief Executive Officer, Sodexo Global Home Care. From July 2020 to August 2021, Natalie served as our Chief Operating Officer and as our Chief Financial Officer from September 2018 to July 2020. She also served as Chief Financial Officer of Sodexo Global Home Care from September 2018 to July 2020.

Ramzi Abdine, Chief Executive Officer

Ramzi Abdine has served as our Chief Executive Officer since January 2023. From January 2020 to December 2022, Ramzi served as Head of Business Development and Asset Management of Sodexo Global Homecare. He also served as Vice President, Sales and Marketing Latin America of Sodexo Brazil in Sao Paolo, Brazil from October 2015 to December 2019.

Ruth Azanki, Chief Financial Officer

Ruth Azanki has served as our Chief Financial Officer since January 2022. From November 2020 to December 2021, Ruth served as our Vice President of Finance and Accounting. Ruth was the Head of Finance and Operations of Al Fakher in Irvine, California from October 2017 to October 2020.

Dan Lader, Chief Information Officer

Dan Lader has served as our Chief Information Officer since January 2023. He served as Senior Vice President, Engineering of GoodLeap in Irvine, California from June 2020 to October 2022. He served as Chief Information Officer of Impac in Irvine, California from June 2018 to June 2020.

Jerry Wright, Senior Director, Franchise Network

Jerry Wright has served as a Senior Director, Franchise Network since January 2019. From October 2011 to January 2019, he was a Regional Director, Franchise Network.

Mary Ellen Rohrbaugh, Senior Director, Franchise Operations

Mary Ellen Rohrbaugh has served as a Senior Director, Franchise Operations since July 2019. From November 2017 to June 2019, she served as a Senior Director, Franchise Network Eastern Division.

Lucas Ries, Senior Director, Franchise Operations

Lucas Ries has served as a Senior Director, Franchise Operations since June 2021. From June 2018 to May 2021, Lucas served as a Regional Director of Franchise Operations.

Chris Tepe, Vice President, Franchise Operations

Chris Tepe has served as our Vice President, Franchise Operations since June 2019. He served as our Sr. Director Central Division, Franchise Network from April 2018 to June 2019.

Saudia Gajadhar, Vice President of Marketing and Communications

Saudia Gajadhar has served as our Vice President of Marketing and Communications since September 2020. From September 2018 to September 2020, Saudia served as our Senior Director of Marketing.

Mario Cisneros, Senior Director, Franchise Strategy and Development

Mario Cisneros has served as our Senior Director, Franchise Strategy and Development since January 2021. From January 2020 to January 2021, Mario served as our Director, Franchise Strategy and Development. From July 2018 to January 2020, he was our Senior Manager, Franchise Strategy and Development.

Jennifer Berryman, Senior Director, Operations Services and R&D

Jennifer Berryman has served as our Senior Director of Operations Services and R&D since September 2020. Jennifer served as our Director of Operations Services and R&D from January 2019 through September 2020. From November 2016 to December 2018, Jennifer served as our Operations Services consultant.

Diana Kravitz, Senior Learning and Development Manager

Diana Kravitz has served as our Senior Learning and Development Manager since January 2022. From March 2021 to January 2022, Diana served as our Senior Training Manager. From October 2019 to March 2021, she served as our Training Manager. Diana was Senior Training Manager of Jacuzzi Hot Tubs in Chino Hills, California from October 2016 to October 2019.

Tina Sterling, Franchise Development Consultant

Tina Sterling has served as our Franchise Development Consultant since July 2008.

ITEM 3.
LITIGATION

Corrine Broach v. CK Franchising, Inc. and Salman Corp. (American Arbitration Association, Case No. 01-16-0000- 2234). This arbitration was filed January 22, 2016 as a collective and class action claim by a former employee of a franchisee, claiming wage and hour laws violations related to unpaid overtime. The plaintiff sought, among other things, certification of the class, unpaid overtime wages and all other relief available under the Pennsylvania Minimum Wage Act (e.g., pre-judgment interest, attorneys' fees and litigation costs) in unspecified amounts. On April 4, 2018, the parties entered into a settlement agreement approved by the arbitrator under which CKFI contributed $10,000 to a total settlement of $188,000, of which $100,000 was distributed to the class members, $4,000 to the class representative and $84,000 to counsel for the class members. CKFI and all parties were dismissed from the action.

Maria D. Garcia v. Comfort Keepers, CK Franchising, Inc., Employers Depot, Inc., et al., Superior Court for the State of California (Los Angeles County, Western Division), Civil Action Case No. BC486677. This case was filed June 19, 2012 as a class action lawsuit by a former employee of a franchisee, claiming wage and hour laws violations; CKFI was served September 4, 2012. The complaint alleged, among other things, that CKFI violated the California Labor Code and "wage orders" issued by the California Industrial Welfare Commission by instructing the franchisee not to pay overtime compensation to certain caregivers and that the caregivers were exempt from the overtime and minimum wage requirements of such laws. The complaint also

alleged that those alleged acts constitute unfair competition by CKFI. The plaintiff sought, among other things, certification of the class, actual and exemplary damages, statutory penalties, restitution, interest, attorney fees and costs in unspecified amounts. In November and December 2014, the parties entered into settlement agreements approved by the court under which the franchisee paid $110,000 that was distributed to the class and, separately, $2,500 to Ms. Garcia, and CKFI was dismissed from the action. In addition, the franchisee's provider of human resources services paid $7,500 to the franchisee, and CKFI paid $4,500 to the franchisee.

Office of Attorney General for the State of Washington, Civil Investigation. On August 9, 2018, the Attorney General for the State of Washington initiated a civil investigation into provisions of CKFI's franchise agreement that provided that franchisees may not solicit certain managerial-level employees of CKFI or other Comfort Keepers franchisees ("Non-Solicit Provisions"), alleging that enforcement of such provisions by CKFI and its franchisees constitute an unlawful restraint on trade in violation of Consumer Protection Act, RCW 19.86.030. CKFI has expressly denied any wrongdoing or that these provisions were unlawful. However, the parties have reached a settlement in this matter, with CKFI entering into an Assurance of Discontinuance with the Attorney General dated as of December 5, 2018 whereby it has agreed to remove any such provisions from all future franchise agreements nationwide, offer an amendment of the provision to current Washington based franchisees and not enforce any such provisions in its current franchise agreements.

CK Franchising, Inc. v. 4 Seniors Home Care, Inc., C.S.M. 500-17-109194-194. This litigation was initiated against 4 Seniors Homecare and its shareholder, Jill Eusenio, the Quebec Comfort Keepers Master Franchisee in Quebec, Canada. The action sought to have the Court recognize the cancellation of the Master Franchise Agreement and injunctive relief enjoining the Defendants from violating the non-competition provisions of the Master Franchise Agreement, a demand for royalties due and damages for violation of the Master Franchise Agreement, the illicit use of the Comfort Keepers marks and illegal use of confidential information. This matter was settled in November 2019 by which the parties agreed to the termination of the Master Franchise Agreement, allowing the master franchisee 90 days to transition away from the brand and diligently inform unit franchises that 4 Seniors is no longer associated with Comfort Keepers. CK Franchising, Inc. has agreed to contribute to the cost for 3 unit level franchisees and one 4 Seniors unit to rebrand. Additionally, the parties agreed to an 18 month non-compete in the territory. All elements of this settlement were in exchange for a mutual release of all claims against the other.

Office of Attorney General for the State of California, Civil Investigation. On May 4, 2022, the Attorney General for the State of California initiated a civil investigation into provisions of CKFI's standard form client services agreement including provisions: that clients may not solicit Comfort Keepers employees ("Non-Solicit Provisions"); a liquidated damages provision; and other enforcement provisions. The Attorney General alleges that enforcement of those provisions by CKFI and its franchisees constitute an unlawful restraint on business, professions and trade under California Business and Professions Code Section 16600, and unfair business practices under Unfair Competition Law, Business and Professions Code § 17200 *et seq*. CKFI has provided certain requested information to the Attorney General in response to an October 25, 2022 letter and has not heard anything further.

Other than these actions, 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 FEES

Initial Franchise Fee

When you sign a Franchise Agreement (other than in connection with a transfer or a territory swap), you must pay us an initial franchise fee in the amount of $50,000 per Franchised Business, less, if applicable, any deposit paid by you under the Franchise Deposit Agreement. You must pay the initial franchise fee by cashier's check or wire transfer. The initial franchise fee is not refundable under any circumstances. We offer financing for a portion of the initial franchise fee for franchisees signing a Start-up Agreement or an Expansion Agreement and financing in connection with the purchase of unassigned zip codes. See Item 10 of this disclosure document.

We offer three types of discounts on the initial franchise fee, as follows:

1. We currently offer a discount on the initial franchise fee due under Expansion Agreements or if you purchase multiple Franchised Businesses in a single transaction. To qualify, 51% or more of the voting power must be held by the same individuals and/or entities under each Franchise Agreement. We discount the initial franchise fee by 15% for the second valid and in effect Franchise Agreement, 20% for the third valid and in effect Franchise Agreement, and 25% for the fourth valid and in effect Franchise Agreement and each additional Franchise Agreement under which the franchisee will operate at the same time.

2. We also currently offer a discount of 25% on the initial franchise fee to a current employee of ours or of a franchisee if the employee has worked for a Franchised Business or for us for at least 24 months before he or she submits an application to us to become a franchisee. The employee must own at least 51% of the voting power in the new franchise.

3. We participate in the International Franchise Association's VetFran Program. If you qualify under this program and are signing a Start-up Agreement, we will give you a 10% discount on the initial franchise fee.

If you qualify for more than one of the discounts described above, you will receive only the larger of the discounts. We may modify or discontinue any or all of these discount programs at any time and without notice.

During the last fiscal year, we uniformly charged the initial franchise fee and applied the discounts described.

Deposit

With respect to your first Expansion Agreement only, you may elect to sign a Franchise Deposit Agreement. Under the Franchise Deposit Agreement, you will pay us a $5,000 deposit and, for 180 days, we will reserve certain specified zip codes that will become your territory if you sign a Franchise Agreement for those zip codes within that time period. If you sign a Franchise Agreement for those zip codes within 180 days after you sign the Franchise Deposit Agreement, we will credit the entire deposit paid by you under the Franchise Deposit Agreement against the initial franchise fee (described above) payable under that Franchise Agreement. You must pay the deposit by cashier's check or wire transfer. The deposit is not refundable under any circumstances. During the last fiscal year, we charged the initial deposit uniformly as described.

ITEM 6.
OTHER FEES

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
Royalty Fee	The royalty fee will be calculated as follows: • With respect to Gross Revenues during the first 24 months of operation of a Franchised Business under a Start-up Agreement or an acquired Franchised Business, the royalty fee is the greater of the minimum royalty fee of $300 or 5% of Gross Revenue[2] • With respect to Gross Revenues beginning in the 25th month following the Start Date of a Franchised Business under a Start-up Agreement or an acquired Franchised Business, if you do not meet the Minimum Performance Standards,[3] the 5% royalty fee is calculated on the greater of Gross Revenue or MPS Gross Revenue,[4] based on an assessment of MPS compliance that commences as of the end of the 27th month.	15th day of each month through direct electronic debit ("EFT")	Paid on Gross Revenue or MPS Gross Revenue of the preceding month.[5] If the Franchise Agreement is a Start-up Agreement, your first royalty fee will generally be due in the fifth month on Gross Revenue during the fourth month.[6] We will offer a royalty fee deferral or limited modification to the royalty fee under the circumstances set forth in Note (7) to this Table.

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
National Brand Fund	The lesser of $731.92 per month, as it may be adjusted annually by the increase or decrease in CPI, or 2% of monthly Gross Revenue [8]	28th day of each month by EFT	Your first contribution will be due the 28th day of the month in which your first royalty fee is due. See "Advertising Services" in Item 11 of this disclosure document.
Local Advertising	Minimum of $1,000 per month or 2% of Gross Revenue, whichever is greater	Vendor terms	Payable monthly. Annually, we may adjust the minimum amount by the amount of the change in the CPI.
Cooperative Advertising Program[9]	As Cooperative members determine	As Cooperative members determine	Amount paid counts toward local advertising requirement. We designate the cooperative, if any, in which you must participate.
National Brand Fund Collection Costs	The amount of any costs (including attorney fees) we incur in collecting National Brand Fund contributions you have not paid	Upon demand	
Renewal Fee	$5,000	At time you sign renewal Franchise Agreement	
Audit Cost	Actual cost of audit plus 18% interest on any underpayment	On demand	Payable only if audit shows an underpayment of at least 3% for any month.
Certification Costs	Our actual costs, but no more than $750 per person	Before applicable training begins	We do not charge an initial training fee, but you must reimburse us for fees that we pay to third party certification and similar entities for each individual you send to the full initial training program or to the portions of that program that include certification courses (not to exceed $750 per person). If you are signing a Start-up Agreement, you may send two persons to the initial training program without reimbursing us for our certification costs.

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
Training Fee for Additional Training[10]	As we specify	Before training begins	We may offer additional mandatory or voluntary training. We will not charge a fee for mandatory training. We will charge a fee for optional training only if we incur out-of-pocket costs associated with a speaker or other program. Those training fees will be calculated on a per-attendee basis. The training fee is in addition to any meeting fee we may impose.
Transfer Fee[11]	Generally, the greater of $5,000 or 2% of all consideration paid in connection with the transfer, capped at $25,000 for concurrent related transfers, plus the amount of any broker commission CKFI must pay in connection with the transfer.	Before transfer	Payable only if you transfer an ownership interest of more than 10% in your Franchised Business, the Franchise Agreement, or in you
Additional Zip Code Fee	Currently, $300 per 1,000 residents in the applicable zip code or, if we elect to conduct an auction for that zip code, the winning bid, provided that the minimum bid is $100 per 1,000 residents. We may increase the additional zip code fee or minimum bid at any time.		With respect to any additional unassigned zip code that is contiguous to your assigned territory, we may sell the zip code to you. Alternatively, we may elect to conduct an auction to sell the zip code for those franchisees whose territories are contiguous to the zip code. We may discontinue the program of offering additional zip codes at any time. See Item 12 of this disclosure document.
Interest on Late Payments	18% or, if lower, highest rate permitted by law	Upon demand or by EFT on a monthly basis	Interest begins to accrue 30 days after a payment is due. You must also pay the Late Fee.
NSF Charge	Actual service charge we incur	Upon demand or by EFT when service charge is incurred	Payable each time your bank does not honor an electronic debit of fees or other payments you owe us.

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
Late Fee	$225	By EFT two days following date payment or report was due	Payable on any royalty that you report or pay more than two days late, and on any other payment that is late. We may change this fee each year by the amount of the change in the CPI. See also Item 10 of this disclosure document.
Technology Support Fee	Currently none, subject to change annually	Before installation of technology platform and annually	We may charge a one-time set up fee (based on our costs of installation) and an annual Technology Support Fee for any proprietary technology and/or approved third party platform we implement and support. See Item 11, "Computer Systems." As of the date of this disclosure document, there is no such platform.[12]
Indemnification	Amount of damages, costs, expenses, and liabilities we incur	Upon demand	You must reimburse us for any damages, costs, and expenses (including attorney fees) that we incur in connection with claims arising from your operations under the Franchise Agreement, your breach of any agreement with us, the acts of or failures of your employees and/or Related Parties, and similar claims.
Insurance-related charges	Cost of premium plus our related expenses	Upon demand	If you fail to obtain or maintain required insurance, we may (but need not) obtain it, and you must reimburse us for the cost of the premium(s) and our related expenses in obtaining it.

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
Attorney Fees and Legal Costs	All of the damages, costs and expenses (including reasonable attorneys' fees and lost future profits) that CKFI incurs in connection with enforcement of its rights under the Franchise Agreement or defense against claims you bring.	Upon demand	
Personal Technology Product Purchases and Service Fees	Costs vary depending on your purchasing decisions[13] See Item 8 of this disclosure document	25th day of each month by EFT	We charge for the use of equipment that we designate and that you elect to use as part of your service offering. These costs are typically at a discount from what it would cost you to purchase the equipment directly from the provider; however, you can choose to purchase the equipment directly from the provider, although such equipment may not contain comparable functionality developed solely for us.
Meeting Fees[14]	As we specify	Upon demand	We charge a fee for the annual national franchisee conference. Otherwise, we will charge a meeting fee only if we incur out-of-pocket costs associated with a speaker or other program. Those fees will be calculated on a per-attendee basis. Currently, the fee for the annual national conference is $425 for each attendee from a Franchised Business. You must pay travel, lodging, and all other expenses of any attendees from your Franchised Business.

NAME OF FEE[1]	AMOUNT	WHEN DUE	REMARKS
Out of Territory Administrative Fee	$500 and actual cost of audit (if required)	Upon demand	The $500 administrative fee is payable to cover internal and external costs incurred by CKFI if a Client Agreement identifies that you are providing services outside of your Territory. If an audit is required to determine if you are providing services outside of your Territory, you must pay CKFI's internal and external actual costs of the audit, including all actual travel expenses.

Notes:

(1) None of these fees are refundable. All fees are imposed by, collected by, and payable to us, except for local advertising fees, which you will spend locally. During our last fiscal year, we imposed these fees uniformly except that the Franchised Businesses we manage for SDX pay no royalty fee; instead, income from their operations is paid to CKFI as part of inter-company charges.

(2) The Franchise Agreement defines "Gross Revenue" as "the total amount of money received by you and your Related Parties, in a given accounting period, for all products sold or leased and services rendered in connection with the Marks, and all other income of any kind (including income from the provision of any ancillary services CKFI approves in the Manual or otherwise and the cash equivalent of goods and services received in a barter exchange) derived directly or indirectly in connection with your operation of your Franchised Business, and/or your operation under the Marks and/or any aspect of the System, including Client and Subscriber deposits and payments for mileage charges but excluding sales taxes, value added taxes, or consumption taxes actually paid to a governmental authority, and refunds actually made to Clients and Subscribers, during that accounting period." A Subscriber is a Client with which you have an agreement to provide Technology Services. See Item 8 for a description of our Manual.

(3) The Minimum Performance Standard ("MPS") requirement is that the Franchised Business must achieve a minimum specified Gross Revenue per month ("MPS Gross Revenue") to remain in good standing. We will determine whether the Franchised Business has met the Minimum Performance Standards in a given month by calculating the average monthly Gross Revenue of the Franchised Business during the 3-month period consisting of the subject month and the preceding two months. The performance of the Franchised Business under a Franchise Agreement will not be utilized in any way to determine minimum performance standards under any other Franchise Agreement with you or your affiliated entities. Except as indicated below in this Note (3), the Franchised Business must achieve the following average monthly MPS Gross Revenue:

Full Calendar Months After Start Date	MPS Gross Revenue
25 to 36	$27,500
37 to 48	$31,000
49 to 60	$36,000
61 to 72	$41,000
73 or more	$46,000

If the Franchise Agreement is a Start-up Agreement or a Franchise Agreement for a Franchised Business acquired through transfer, you need not comply with the MPS requirement during the first 24 full calendar months after the Start Date. Each month while the MPS requirement applies to your Franchised Business, CKFI will assess your compliance with the MPS requirement by reviewing your Gross Revenue during a rolling 3-month period consisting of the most recent month and the preceding two months. If you fail to meet MPS, you are not in good standing. CKFI may increase the MPS requirement by an amount not to exceed 7% each year following written notice to you. The Start Date is the date by which you must begin operations. See Item 11 under the heading "Length of Time Before Beginning Operations" for a description of how we determine the Start Date.

(4) If you fail to meet the MPS requirement, you must provide CKFI, within 14 calendar days after your receipt of a notice of MPS noncompliance from us, a detailed business plan for meeting the MPS within the following three calendar months. If you fail to provide a business plan within the 14-day period or fail to meet the MPS, on average over the following three calendar months, you are in default, and you must pay royalty fees calculated on the greater of Gross Revenue or the MPS Gross Revenue then applicable to your Franchised Business.

(5) If you do not timely report Gross Revenue for a given month, CKFI may debit your designated bank account for 120% of the royalty fee for the last calendar month for which Gross Revenues were provided. When you report Gross Revenue for the applicable month, you must pay any amount still owed or, if there was an overpayment, CKFI will credit the amount of the overpayment against the next royalty fee you owe.

(6) Although your obligation to pay Royalty Fees under a Start-up Agreement does not commence until the fifth full calendar month after the Start Date, if any of your guarantors or any entity in which any of your guarantors has beneficial ownership has been providing services to Clients in an unassigned territory that is now part of your territory under the Franchise Agreement, and you continue to or begin providing services to those Clients, you must pay royalty fees from the Start Date on Gross Revenue from services provided to those Clients.

(7) We will offer a royalty deferral or modification in the following situations, provided that we may modify or discontinue any or all of these programs at any time and without notice:

(a) If you acquire by transfer an existing underperforming Franchised Business under our Franchise Transfer Incentive Program, during the 18 calendar

months after the Start Date, you will not pay a royalty fee on the Gross Revenue that exceeds the Gross Revenue of the acquired Franchised Business during the 12 months preceding the month in which the acquisition occurred. This royalty waiver applies only as long as you remain in good standing under the Franchise Agreement. An "underperforming" Franchised Business is one that has revenue growth less than the average for the Network over the two preceding calendar years at the time of acquisition. To qualify for this deferral, you must either be an active participant in a CKFI-led performance management group and (i) the aggregate Gross Revenue for your existing Franchised Businesses must exceed $1 million during the preceding year, or (ii) the aggregate annual Gross Revenue growth rate for all of your existing Franchised Businesses must exceed the average for the Network over the two calendar years preceding the acquisition. Gross Revenue calculations for the acquired Franchised Business, the acquirer's Franchised Business(es) and the Network will be determined from CKFI's royalty reporting system.

(b) If you are an existing franchisee and you acquire an independent business similar to a Franchised Business ("Independent Business") and convert it to a Franchised Business, you will not be required to pay us a royalty fee until the *collective* Gross Revenue of that Franchised Business or those Franchised Businesses that include Gross Revenues from the Independent Business (but exclude Gross Revenues of any other Franchised Businesses owned by you that do not include the Gross Revenues of the Independent Business) exceeds an amount equal to 1.25 times the gross revenue of the Independent Business during the 12 months preceding the month in which you acquired it, based on financial data you provide to, and that is acceptable to, CKFI. This royalty waiver applies only as long as you remain in good standing under each Franchise Agreement with us and any other agreement with us or our affiliates.

(8) Under the NBF Addendum, CKFI may increase or decrease the amount of the National Brand Fund contribution annually by the amount of the corresponding change in the Consumer Price Index, All Urban Consumers/U.S. City Average, All Items ("CPI"), as determined by the U.S. Bureau of Labor Statistics (or a successor agency). In addition, the amount of the National Brand Fund contribution may be increased and/or the methodology for determining the Brand Fund contribution may be changed by the affirmative vote of a majority of franchisees in good standing or the NBF may be terminated by the affirmative vote of a majority of franchisees in good standing or by us. If the NBF is terminated, we may establish a new Brand Fund to which you must contribute between ½% and 2% of monthly Gross Revenue. CKFI may change this percentage contribution every two years.

(9) Under the NBF Addendum, the provision in the Franchise Agreement that permits us to mandate advertising cooperatives has been suspended. If the National Brand Fund operated under the NBF Addendum is terminated for any reason, the Franchise Agreement provision relating to cooperative advertising will be reinstated. We currently do not mandate any advertising cooperatives. The company-owned Units make contributions to the National Brand Fund on the

same basis as other Franchised Businesses. To the extent that any company-owned Units were to be established within the area in which an advertising cooperative operates, the company-owned Unit would contribute to the advertising cooperative on the same basis as a Franchised Business.

(10) Although our costs to provide initial training exceed $5,000, we do not charge a fee for initial training, regardless of the number of owners or managers you send from your Franchised Business, because we believe it is extremely important for you and your managers to receive initial training. For all training, you are responsible for the incidental expenses incurred by any individual you send to training, including travel, food and lodging during training.

(11) The transfer fee is the sum of a "transfer fee amount" and the amount, if any, CKFI must pay to a broker in connection with the transfer. Except as stated below, there is no transfer fee amount for: (a) the transfer of an ownership interest in you or in the Franchised Business aggregating less than 10%; (b) a transfer among existing holders of ownership interests in you, none of whom is exiting the franchise; (c) a transfer of less than a majority of ownership interests to your immediate family and the transfer takes place at the time of renewal of the Franchise Agreement; or (d) a transfer to a retirement vehicle if one or more of the existing holders of beneficial ownership in you, the Franchised Business, and/or the applicable Franchise Agreement is/are the only beneficiaries, and the beneficial ownership of the entity immediately following the assignment is the same and in the same proportions as the beneficial ownership in the Franchised Business immediately before the assignment.

The transfer fee amount is $500 per transfer if you are otherwise transferring to your immediate family, or if the transfer involves only the transfer of ownership interests to existing owner(s) by one or more owners who are exiting the franchise unless we are correcting documentation identified shortly after execution of your Franchise Agreement. The transfer fee amount for each other transfer (regardless of whether the transfers are related) that, aggregated with contemporaneous or prior transfers, results in a transfer of 10% or more in the beneficial ownership in you or in the Franchised Business to a person or entity that does not already have an ownership interest is generally the greater of $5,000 or 2% of all consideration of any kind payable to you and/or any of your relatives, affiliates, and/or Related Parties in connection with the transfer (but no more than $25,000 ("Cap")) provided that we may reduce such amount in our sole discretion in the event of, and based on, your financial distress. For any simultaneous or concurrent transfer of all or the majority ownership interest in you and/or in the Franchise Agreement and in one or more other Comfort Keepers® franchisees, Franchised Businesses, and/or Franchise Agreements, the transfer fee will not exceed the Cap. The portion of the transfer fee payable to a broker is not included in calculating, or subject to, the Cap. Upon notice to you, we may adjust the Cap each year by the amount of the change in the CPI.

(12) Owners of more than one Franchised Business will pay an annual technology support fee per platform for each Franchised Business for which there is a separate accounting installation, implementation or support. Fees per platform may vary and will be subject to change depending on our costs and changes in technology.

(13) The amount the Franchised Business spends on purchases of personal technology products and services from CKFI will depend on your purchasing decisions. During our last fiscal year, amounts spent by Franchised Businesses varied significantly from $0 to $86,284.

(14) In addition to meetings you will attend in person, we may offer meetings online, via teleconference, videoconference, or such other means as we deem advisable. You or your Designated Manager (a person who fulfills the function of general manager for a Franchised Business) must attend two of the following meetings each year: national, state, regional, and local meetings, meetings of CKFI-led performance management groups or successor groups designated by CKFI (provided you are a member of that group), and local or regional advertising co-op meetings.

ITEM 7.
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Combined Deposit Fee and Initial Franchise Fee[2]	$50,000	Lump sums	Deposit fee paid if you sign a deposit agreement; balance or all (as applicable) of initial franchise fee paid on signing Franchise Agreement	Us
Professional Fees[3]	$1,500 - $10,000	As incurred	Before beginning operation	Attorney or other advisor
Business Premises[4]	$6,000 -$24,000	As incurred	Before beginning operation	Landlord
Furniture and Equipment[5]	$3,500 - $8,000	As incurred	Before beginning operation	Suppliers
Insurance[6]	$3,100 - $6,800	As arranged	Before beginning operation	Insurance Company
Expenses Related to Initial Training[7]	$3,000 - $6,000	As incurred	Before beginning operation	Suppliers
Organizational Expenses/ Supplies/ Printing[8]	$650 - $1,150	As incurred	Before beginning operation	Suppliers
Telephone and other utility deposits	$550 - $1,650	As incurred	Before beginning operation	Suppliers
Advertising, Marketing and Promotion[9]	$2,300 - $10,000	As incurred	As arranged	Us, Media, Others
Licensure[10]	$0 - $10,000	Lump sum	Upon submission of licensure application	State licensing agencies
Caregiver Training[11]	$1,500 - $3,000	As incurred	On your payroll payment dates	Caregivers
Background Screening	$360 - $600	$40 or more per check	As incurred	Screening Company
Additional Funds[12] - 3 months	$27,590 - $40,000	As incurred	As incurred	Various
TOTAL	$100,050 - $171,200			

Notes:

(1) This Item shows our estimate of expenses for a franchisee to open its first Franchised Business under a Start-up Agreement and, for the "Additional Funds" category, for an initial period of three months. If you are signing an Expansion Agreement, your expenses should be comparable, except as specified in the Notes to this Item 7. None of the expenses are refundable except for insurance premiums, which may be partially refundable if you cancel a policy, and utility and lease deposits. We based our estimates of the amounts shown on our experience in helping franchisees establish and operate Franchised Businesses across the United States. Costs may be higher in some areas of the United States than in others, and you should review all of the estimated costs in light of costs in your area.

(2) You will pay a deposit of $5,000 only if you sign a deposit agreement. Any deposit you pay is fully credited against the initial franchise fee if you sign the Franchise Agreement within the required time period. See Item 5 of this disclosure document. We offer financing for a portion of the initial franchise fee to qualifying franchisees who are signing an Expansion Agreement or a Start-up Agreement and for the purchase of unassigned zip codes. For a Start-up Agreement, you must pay 50% of the initial franchise fee due when you sign the Franchise Agreement; for an Expansion Agreement, you must pay $5,000 upon signing the Expansion Agreement. The balance (which will vary depending on the amount of the initial franchise fee, including the amount of any discount to which you are entitled, as indicated in Item 5) for Start-Up Agreements will be financed over 18 months at 6% simple interest per year and for Expansion Agreements will be financed over 30 months at 6% simple interest per year. Any amount financed for the purchase of unassigned zip codes will be financed over 12 months at 6% simple interest per year. See Item 10 of this disclosure document.

(3) We recommend that you consult a franchise attorney to review the Franchise Agreement before you sign it. In addition, you should consult a competent attorney about state health and licensing regulations and other laws that may apply to your Franchised Business. You may also wish to consult other advisors, such as an accountant or a business advisor. We do not require that you use a consultant to assist in the licensure procedure (if any) to provide homemaker/companionship and personal care services, and most franchisees have not found the need to do so.

(4) Your Office must be in commercial or retail space in your Territory and must be in a location that does not materially damage the goodwill associated with the Marks. The low figure assumes that you rent Office premises of 500 square feet at $3 per square foot; the high figure assumes that you rent Office premises of 1,000 square feet at $6 per square foot. Each figure represents 3 months' rent and a security deposit equal to 1 month's rent. Rented premises typically range in size from 500 square feet to 1,000 square feet. If you are signing an Expansion Agreement, you may not need an Office. See Item 12 of this disclosure document.

(5) This category includes items such as office furniture and equipment and a computer system and required software. The low figure assumes that you purchase used office furniture, one computer and required software. The high figure includes a software upgrade and laptop in addition to a personal computer.

(6) You must purchase from an approved vendor and maintain insurance coverage as specified in the Franchise Agreement and the Manual. See Item 8 of this disclosure document for a discussion of our current insurance requirements. The figures shown are an estimate, based on a typical number of employees, of the initial deposit and the first 3 months' premium for liability, non-owned auto insurance, property, surety/employee bonding, and workers compensation insurance (using a typical rate), and the full annual premium required for employment practices liability insurance. Workers' compensation insurance rates vary widely by state and the cost of your workers compensation coverage may be significantly higher.

(7) While we do not charge a separate fee for initial training, you are responsible for all of the expenses incurred by you and your employees attending training, including meals, lodging, and transportation. The low figure assumes that one person will attend the corporate-based initial training session at our offices and the hands-on training session; the high figure assumes that 2 people will attend the corporate-based initial training session at our offices but only one will attend the hands-on training session. Neither figure includes any amount for wages that you may have to pay an employee who attends training. If you are signing an Expansion Agreement or if you acquire the Franchised Business through transfer, you must reimburse us for any costs (not to exceed $750 per person) that we pay to third party certification or similar entities for each individual who takes initial training. If you are signing a Start-up Agreement, you do not need to reimburse us for the certification costs for the first two individuals who take initial training. The table relates to costs under a Start-up Agreement and does not reflect certification costs. See Item 11 of this disclosure document for more information about initial training.

(8) The low figure in this category assumes that you will operate your Franchised Business as a sole proprietorship; the high figure assumes that you will form a business entity using an online service such as Legal Zoom and includes those additional costs. If you choose to use an attorney to form your business entity, your costs will likely be higher. Both figures in this category include the cost of an initial supply of business cards, stationery, and business forms from our approved supplier.

(9) This category reflects web optimization for your page on the www.comfortkeepers.com website, miscellaneous advertising (including advertising to recruit employees), and the cost of a "starter kit" of marketing materials and brochures. You can also use the starter kit items as part of a grand opening advertising campaign. Typically, the campaign (which is optional, but recommended) occurs 2 to 3 months after you begin operations. The expenses you will likely incur for this campaign (even if you are signing an Expansion Agreement or are acquiring a Franchised Business through transfer) are included in the "Additional Funds" category. The high figure in this category represents the additional costs you may choose to incur for additional marketing and advertising, networking, and public relations efforts to help build your business more quickly. If you are signing an Expansion Agreement, you may need fewer of these advertising brochures if you already have a supply from your other Franchised Business.

(10) Approximately 32 states, as of February 1, 2023, required licensure or registration for personal care services; 22 of those also require licensure and/or registration for homemaker/companionship services. Most states do not require payment of a licensure fee; of those that do, the current highest cost is $5,600 for a start-up operation. Your costs may be higher if you are acquiring your Franchised Business through transfer, because some states base the

licensure fee on the number of caregivers employed. You should investigate licensure requirements for the state in which you will operate and the licensure fees, if any, that may be required. See also Note (12).

(11) You must provide Orientation and OnBoarding Training to your caregivers. See Item 8 of this disclosure document. The figures in this category represents the cost of the wages and related payroll taxes for caregivers while they are trained before you begin operations. Your actual costs will depend on the hourly rate you pay your caregivers and the number of caregivers you have.

(12) This category estimates additional cash requirements you may have during the initial three months of operations for your Franchised Business for various items and expenses, including the following: wages and payroll taxes for caregivers during the initial caregiver training sessions and for a second full-time employee (required for you to open); implementation of the grand opening advertising campaign for your Franchised Business; your National Brand Fund contributions; licensure and/or accreditation fees, if required, and other expenses. This range does not include caregiver wages paid for providing services. These should be fully funded from Client payments which are collected prior to providing services. The low figure includes an estimated salary and related payroll taxes for 1 full-time employee but does not include any salary or other draw for you. The high figure includes estimated salaries and related payroll taxes for 2 full-time employees, one of whom may be you.

The amounts shown are only estimates, and it is possible that you will need additional working capital during the initial 3-month period. This 3-month period is not intended, and should not be interpreted, to identify a point at which your Franchised Business will break even. The amount of additional funds you may need will depend on various factors, including the number of employees you choose to hire, the prevailing wage rate, and the salary and other benefits you choose to pay; your debt and expense structure; your management skill, experience and business acumen and the extent to which you participate actively in operations of the Franchised Business; local economic conditions, including competition and the local market for your services; your state's licensing or accreditation requirements, if any, and the length of time it takes to get the appropriate license(s); and the revenue you achieve during this initial period. You should review all of these numbers carefully. We recommend that you consult a business advisor or accountant.

In addition, some states that require licensure for personal care services also require that an R.N. or other professional be available to do client assessments and provide training and supervision to caregivers. You may hire an R.N. on an hourly basis to perform these services. You must begin to provide personal care services on the later of: (a) 90 days after the Start Date; or (b) provided that your applications were filed in a timely manner, the date on which you receive any required licensure. We have included in the high figure for the Additional Funds category approximately $495, representing 15 hours of R.N. time (at the current approximate national average of $33 per hour plus payroll taxes) for caregiver training before you begin providing personal care services, but you should investigate the licensure issues in your state and, if necessary, budget funds to cover any additional costs during the initial 3-month period and in later months of operation.

The estimated additional funds are in addition to cash flow from operations. The figures do not include an allowance for payments of royalty fees because this will depend on the gross revenue you achieve. You should allow for these fees and expenses when you make your own calculations of the additional funds you will need as working capital.

ITEM 8.
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate the Franchised Business according to the standards and requirements established in the Manual or otherwise in writing ("Standards"). The Standards may regulate, among other things, products and supplies you must use in operating your Franchised Business, designated and approved suppliers of goods and services, and other items.

Specifications and Approved and Designated Suppliers

You must buy or lease certain goods or services for use in connection with your Franchised Business only from approved suppliers. In addition, certain goods and services must meet our then-current specifications. We will make our specifications (which are part of the Standards) known to you in the Manual or otherwise in writing. We may change the Standards and specifications applicable to the operation of the Franchised Business by written notice to you or through changes in the Manual. You may incur an increased cost to comply with these changes. If we provide specifications for items or services for use by Franchised Businesses, you must purchase only items and services that meet those specifications.

We will not issue specifications directly to suppliers who are not our approved vendors. If you would like to use in your Franchised Business any product (regardless of whether it bears any of the Marks) or services that you will purchase from a supplier we have not previously approved or designated, you must obtain our prior written consent and, upon our request, give us the supplier's contact information. Within 30 days after your request, we will notify you, and, as we deem appropriate, the supplier of our approval or our reasons for withholding approval. As a condition of permitting a supplier to produce any item that bears the Marks, we may require the vendor to sign a license agreement obligating the vendor to meet quality standards and respect our trademark rights. We have no obligation to approve any request for a new supplier, product, or service.

In addition, we may establish strategic alliances or preferred vendor programs with suppliers for some or all of the products and/or services that we require, or recommend for use by, or in connection with operations of, Franchised Businesses. If we establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, designate sole sources that you must use for some or all products and services, and/or refuse any of your requests for vendor approval if we believe that this action is in the best interests of the Network or System. We make no representation or warranty that these alliances or programs will provide any specific Franchised Business with the lowest cost items or services available to that Franchised Business or that any individual Franchised Business will benefit proportionately from any such alliance or arrangement. We and/or our affiliates may be approved or designated (sole) suppliers of goods and services.

We have the unlimited right to approve or disapprove suppliers that may be permitted to sell products or services to you, and we may at any time withdraw our designation or approval of a supplier. If we revoke approval of a supplier, we will provide written notice to you and to the supplier.

Required Purchases and Leases from Designated or Approved Suppliers

Currently, there are no mandatory purchases from designated or approved suppliers.

With respect to optional goods and services that you may purchase, we are the designated supplier of Personal Technology Services and Equipment, which are offered under the SafetyChoice® brand. We may designate any third party to provide SafetyChoice® equipment and/or services to you.

Currently, as a condition of CKFI's approving you to provide PDN Services, you must use our recommended provider of learning management systems in training your employees and consultants involved in providing PDN Services.

Other Purchases from Approved or Designated Suppliers or According to Specifications

Advertising. We will provide you lists of approved items and approved or designated vendors of advertising materials. We also have developed and will maintain standards and specifications for advertising materials and for your use of the Marks in your advertising materials. You must obtain our prior written consent to your use of all advertising materials you produce; the copyright to those materials will belong to us. You must spend the greater of $1,000 per month or 2% of Gross Revenue on local advertising and brand enhancement activities that we approve in the Manual or otherwise. Currently, if you choose to have interior pages advertising your Franchised Business on our website, the pages must meet our specifications for form, content, and programming quality. We may, in the future, require you to use a designated or approved vendor to design your interior pages. See "Advertising Services" in Item 11 of this disclosure document.

Insurance. Before beginning operations, you must purchase and then maintain the insurance policies that we require, as specified in the Franchise Agreement. Currently, you must obtain the following coverages: (1) comprehensive general liability insurance, including casualty insurance, product liability coverage and business interruption coverage, covering all of the Franchised Business' assets, personnel, and activities, including coverage for use of non-owned automobiles, with a combined single limit for bodily injury, death or property damage of at least $1,000,000 per occurrence, and $3,000,000 in aggregate (except for non-owned automobiles); (2) professional liability insurance with same coverage as comprehensive general liability insurance of at least $1,000,000 per occurrence and $3,000,000 in aggregate; (3) abuse/sexual molestation liability insurance with same coverage as comprehensive general liability insurance of at least $1,000,000 per occurrence and $3,000,000 in aggregate; (4) employment practices liability insurance with policy limits of at least $500,000, with defense coverage provided for CKFI as the franchisor; (5) cyber security insurance with coverage of at least $100,000 per occurrence; (6) property insurance in a minimum amount equal to the replacement value of your interest in your Office premises, including furniture, fixtures and equipment; (7) a $50,000 surety bond or equivalent employee theft insurance, covering all employees; (8) workers' compensation

insurance, with Part Two (employer's liability) policy limits at no less than state minimum; (9) any types of insurance required by applicable state law; and (10) additional coverage as may be required by strategic partnership agreements and the insurance must name the strategic partner and its designated affiliates as additional insured. If you qualify for and choose to provide PDN Services, before doing so, you must purchase and then maintain professional liability insurance that covers the provision of PDN Services, with coverage of at least $1,000,000 per occurrence and $3,000,000 aggregate, as set forth in the Manual.

We may increase the amounts of coverage required under those insurance policies and require different or additional kinds of insurance at any time to reflect inflation, additional types of risks identified, or other changes in circumstance, by including the new requirements in the Manual. Each insurance policy (except for workers' compensation insurance) must designate "CK Franchising, Inc." as an additional insured. You must obtain insurance from an "A" or better rated insurance company registered in the jurisdiction where your Franchised Business will operate. Each required insurance policy must contain a specific endorsement stating that the policy cannot be canceled without at least 10 days' advance written notice to us. You must deliver to us a certificate from the issuing insurance company evidencing each policy within 10 days after the policy is issued or renewed.

If you fail to obtain or maintain required insurance or provide the required insurance certificates following our written notice to you, we may, but have no obligation to, obtain insurance policies sufficient to meet the minimum requirements set forth in the Manual. You must promptly reimburse us for the cost of the insurance premiums and any administrative costs or expenses related to our obtaining the insurance.

The insurance we require is for our own protection. You should consult with your own insurance agents, brokers, and attorneys to determine what types of coverages and what level of insurance protection you may need or desire, in addition to the coverages and minimum limits we specify.

Computer System. You must purchase computer and technology hardware and software (including web-based programs and software technology platforms, including the hardware necessary for their proper functioning), including peripherals and communications facilities, in accordance with our specifications and/or from approved or designated suppliers (including us and/or our affiliates), as provided in the Manual or otherwise in writing. See "Computer Systems" in Item 11 of this disclosure document. We formulate and modify our specifications and requirements for computer hardware by reference to what is necessary to run the required software. We select software for, among other things, uniformity, usefulness of applications to the home care field, reliability, and cost effectiveness.

Employee Background Checks. You must have employee background checks run on each job applicant before hiring him or her. The employee background checks must meet our specifications.

Orientation and Onboarding Training. You must provide Orientation and Onboarding Training to all of your caregivers, either through our designated provider of learning management

systems or through training that meets our specifications, which you provide directly to your caregivers.

Collectively, the goods and services described above in this Item 8 are about 12% to 20% of your total purchases and leases in establishing your Franchised Business and about 12% to 20% of your total purchases and leases, on a monthly basis, in operating the Franchised Business.

Purchases from Us

As stated above, we are currently the designated supplier of Personal Technology Services and Equipment offered under the SafetyChoice® brand, all of which are optional purchases. Otherwise, neither we nor any affiliate sells any products or services to you or is an approved or designated supplier of any products or services. We and our affiliates may, in the future, sell additional products and services to you and may be approved or sole suppliers of those products and services. Any such purchases, whether required or voluntary, generally will be at prices exceeding our or our affiliates' costs. If we incur direct, out-of-pocket costs in connection with the development of advertising materials, software, or other items or services that are sold to you by a vendor, that vendor will reimburse us for those costs. During our last fiscal year, while neither we nor any of our affiliates derived revenue from any required purchases or leases by franchisees, with respect to optional purchases by franchisees, we received revenues of $821,112, which constituted approximately 0.8% of our total revenues of $98,985,539. None of our officers owns an interest in any designated or approved supplier.

General

We have the right to collect Allowances offered by suppliers to us based on franchisees' purchases of products and other goods and services. "Allowances" means marketing allowances, rebates, credits, monies, payments or benefits offered by suppliers, but excludes payments for services rendered, license fees, and the like, and reimbursement by a vendor of our direct of out-of-pocket costs associated with items or services sold to franchisees, such as the cost that we incur for an advertising agency to develop advertising materials sold to franchisees by a vendor. If we receive any Allowances, we will either, at our option, apply the Allowances to reduce the cost of goods and services provided to all franchisees as a group or contribute the Allowances to the National Brand Fund. The following types of Allowances are not subject to the requirement of the preceding sentence and may be retained or used by us in our sole judgment: (1) meals or other events sponsored by suppliers at franchisee meetings; and (2) complimentary or upgraded rooms and similar concessions provided by a meeting facility for our staff at franchisee meetings

We may negotiate purchase arrangements (including price terms) with vendors for the benefit of the Network. For example, we have negotiated agreements under which you may receive discounts on services like insurance and background checks. If you do not use approved or designated suppliers as the Franchise Agreement requires, we may deny you material benefits, such as renewal or granting additional franchises. We currently do not have purchasing or distribution cooperatives.

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 parts of this disclosure document.

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	7.2.3	7, 11, 12
b. Pre-opening purchases/leases	7.2.8, 7.6	5, 7, 8, 11
c. Site development and other pre-opening requirements	N/A	N/A
d. Initial and ongoing training	5.1, 7.2.1, 7.4.1; Private Duty Nursing Services Addendum § 3	7, 11
e. Opening	7.2.2	11
f. Fees	5.10, 6, 7.2.1, 7.2.8. 7.6, 8.1-8.4, 10.4; Franchise Deposit Agreement § 1; NBF Addendum §§ 4.7, 4.10.3, and 5.2; Exhibit D-7 § 3; Exhibit D-8 § 3	5, 6
g. Compliance with standards and policies/operating manual	4.2.1, 4.2.3, 4.2.4, 4.4.2, 5.5, 7.2, 7.4.2, 7.5, 7.6, 8.4-8.8	8, 11, 16
h. Trademarks and proprietary information	7.1, 7.9, 8.5, 8.7, 8.8, 9.1-9.4, 11.3; Attachment 3; Exhibit D-3	11, 13, 14
i. Restrictions on products/services offered	7.2.5; Additional Services Addendum	16
j. Warranty and customer service requirements	4.2, 7.2.7	7, 12
k. Territorial development and sales quotas	7.3	12
l. Ongoing product/service purchases	7.2.6, 7.2.8; Additional Services Addendum	8
m. Maintenance, appearance, and remodeling requirements	7.2.3	12
n. Insurance	7.6	7, 8
o. Advertising	8; NBF Addendum	6, 7, 8, 11

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
p. Indemnification	7.8, 9.5, 12.12; Franchise Deposit Agreement § 5(h); Attachment 3; NBF Addendum	11, 17
q. Owner's participation/management/ staffing	7.4	15
r. Records/reports	6.2, 7.1.3, 7.1.4, 7.2.8, 7.5, 7.7	11
s. Inspections/audits	6.4, 7.2.7-7.2.9	6
t. Transfer	10	6, 17
u. Renewal	4.4.2	6, 17
v. Post-termination obligations	11.3; Attachment 3	17
w. Non-competition covenants	7.11; Attachment 4; Exhibit D-3	17
x. Dispute resolution	8.1, 12.7 - 12.12, 12.14; Franchise Deposit Agreement § 4; NBF Addendum § 5.2	17

ITEM 10.
FINANCING

We offer financing to qualifying franchisees for a portion of the initial franchise fee to be paid under a Start-up Agreement or an Expansion Agreement and for a portion of the price for unassigned zip codes purchased in a single transaction of at least $15,000. Under our financing arrangement, you must pay us: (1) with respect to a Start-Up Agreement, 50% of the initial franchise fee at the time of execution of the agreement; (2) with respect to an Expansion Agreement, $5,000 of the initial franchise fee at the time of execution of the agreement; or (3) with respect to the purchase of unassigned zip codes, 25% of the purchase price at the time of execution of a zip code amendment to your Franchise Agreement.

In connection with a Start-Up Agreement, we will finance the balance of the initial franchise fee at 6% simple interest per year, payable over 18 months. In connection with an Expansion Agreement, we will finance the balance of the initial franchise fee at 6% simple interest per year, payable over 30 months. We will finance the zip code purchase price at 6% simple interest per year, payable over 12 months. The balance of the initial franchise fee due, and therefore your principal balance and your loan repayments, will depend on the amount of the initial franchise fee, whether you qualify for any discounts or how many Expansion Agreements you have signed before. (See Item 5 of this disclosure document.) The purchase price for assigned zip codes and, therefore, your principal balance and your loan repayments, will depend on the population residing in the unassigned zip codes or, in the case of a zip code auction, the winning bid. If you qualify for and take advantage of this financing, you will sign a promissory note

("Note"), the two forms of which are attached as Exhibit F to this disclosure document, when you sign the Franchise Agreement.

We do not require a security interest in any of your or your Related Parties' assets, but the Guaranty we require of your Related Parties will apply to your obligations under the Note. You may prepay the Note in any amount, at any time, without penalty. (Note § 2) You must make all payments under the Note by electronic funds transfer ("EFT") from your designated bank account. You must pay any related EFT transfer fee. (Note § 4) We will apply any payment first to EFT transfer, service, late, and other fees due; next, to accrued interest, and last, to principal. (Note § 2) You must pay a late charge of $225 for any payment that is late by 5 days or more. (Note § 3) In addition, you must pay any service fee or other fee your bank imposes if your bank does not honor an EFT for any reason. (Note § 4) We may accelerate the full principal amount of the Note, together with unpaid interest, if any of the following Events of Default occurs (Note §§ 5 and 6):

a. A default in payment under the Note.

b. A default in payment under the Franchise Agreement.

c. A default in payment of trade amounts due us.

d. Our giving notice of default under any Franchise Agreement between you and/or your Related Parties and us.

e. Your and/or any owner's sale, transfer, or other assignment, voluntary or involuntary, of its interests in the Franchised Business, in you, and/or in or under the Franchise Agreement.

f. Termination, whether voluntary or involuntary, of the Franchise Agreement.

g. Your ceasing to operate the Franchised Business.

In addition, because default under any other agreement between you and us is a default under the Franchise Agreement, we may terminate the Franchise Agreement for your default under the Note. (Franchise Agreement § 11.1.2(f)) You must pay our costs of suit and reasonable attorney fees in collecting the amount due under the Note. (Note § 6)

Under the Note, you waive demand, presentment, notice of nonpayment or dishonor, notice of protest and any and all delays or lack of diligence by us in the enforcement of the Note. You also consent to any extension or postponement of the time of payment and waive any and all notice of any extension or postponement. (Note § 7)

We have no intent to sell, assign, or discount to a third party all or any part of the financing described above. Other than the financing described above, we do not offer direct or indirect financing. We will not guarantee your note, lease or obligation.

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

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

Pre-Opening Services

We will provide the following services to you before you begin operating your Franchised Business:

a. We will provide initial training for up to 2 persons that you designate, so long as 1 of them has beneficial ownership in you. (Franchise Agreement § 5.1.1)

b. We will give you access to the Manual. (Franchise Agreement § 5.5). Our Manual details our Standards and operational requirements. We may provide the Manual in any format, including via video and audio tapes, electronic communications (for example, via the Internet or an intranet we may maintain for our franchisees) and other written and electronic communications. Currently, we provide access to the Manual via the intranet for our franchisees. We have included the Table of Contents to the Manual as Exhibit H to this disclosure document. As of the date of this disclosure document, the Manual contained 46 pages.

c. If the Franchise Agreement is a Start-up Agreement, we will also pay the following program-related expenses if you begin using the program within 6 months of the Start Date (Franchise Agreement § 5.9):

i. We will pay the start-up fee and a 1-year subscription (estimated value of $1,680) to a scheduling program we choose and for initial training on that program, if you execute the license agreement for that program. Currently, we use WellSky. The monthly minimum cost is $120. We do not receive any revenue from subscriptions.

ii. We will pay the start-up fee and the first year's fees related to the online learning system of a specific approved vendor, currently Care Academy.

iii. We pay the registration fees for up to 2 of your owners to attend the next scheduled national meeting for franchisees (currently referred to as the Connect Conference).

d. We provide access to a resource provided by an approved vendor which offers information related to various compliance topics such as licensing requirements and human resources (Franchise Agreement § 5.9).

e. We pay for your membership in Home Care Association of America, a national home care association (Franchise Agreement § 5.9).

Training

Initial Training

Our initial training program consists of education via webinars and eLearning. These webinars are facilitated by experts in the topic.

TRAINING PROGRAM

Subject	**Total Duration**	**# of Sessions**
Training Overview • Review the training agenda • Q/A	30 minutes	1
Elevating the Human Spirit (EHS) • Key principles of EHS • The research that led CKFI to EHS • How to implement into your office	2 hours	1
Business Overview • Your positioning with a growth mindset • Your role as a leader of your CKFI location • Overview of caregiver journey • Overview of client journey	4 hours	2
CK Central Tour • How to move through our internal website • Discover the key tools to help you and your team to be successful	1 hour	1
Vendor Introduction • Learn about our vendor partners • Includes email introduction to some key vendors	1 hour	1

Subject	Total Duration	# of Sessions
Digital Webinar • Digital presence including PPC and SEO • How to manage your digital agency • Customizing your CKFI website	2 hours	1
Caregiver Journey • Where to place and how often to refresh ads • What should be included in the ad • Non internet recruitment • Screening and interviewing • From job offer to their first day • Help to reduce turnover through engagement • Rewards and recognition	8 hours	4
Caregiver Action Plan • Create an action plan on caregiver journey • Review with Regional Director (RD)	1 hour	1
Competitive Analysis • Shopping the competition for both employment and services • How to utilize what you learned for your business decisions	1 hour	1
Intake Phone Call • eLearning and webinar • Customer service over the phone • The four steps of the intake call	3 hours	1

Subject	Total Duration	# of Sessions
Care Consultation • eLearning and webinar • What to do on the assessment • Asking to begin care • When and how to do a reassessment	8 hours	3
Client Journey Action Plan • Create an action plan on client journey • Review with RD	1 hour	1
Sales and Networking • Medical and non-medical referral sources • How to build relationships with referral sources and in the community • When and how to connect with referral sources • Asking the right questions	4 hours	2
Sales and Networking Action Plan • Create an action plan on sale and networking • Review with RD	1 hour	1
Overview of financials • Learn the key KPIs • Budgeting and forecasting • Introduction to financial statements	6 hours	3
Financial individual Meetings • Review case study	1 hour	1

Subject	Total Duration	# of Sessions
Marketing Overview • Market research • Marketing materials available	2 hours	1
New Franchisee Training (NFT) Final Presentations • Present your plan for the first 30, 60, 90 days and beyond	1 hour	1
Review Standards Manual	1 hour	1

The initial training program includes group instruction and individual instruction. Sessions are attended by live video webinar and video and cameras will remain on during all live sessions. Each required attendee must attend every session in its entirety. The handouts for each training session will be available prior to each session in a shared folder. Attendees will need to access the materials and have them available during training. In addition to attending live sessions, attendees will also receive eLearning module assignments that must be completed by the required due date.

We conduct corporate-based initial training approximately 5 times per year. The scheduling and offering of such training is subject to change by us at any time. Diana Kravitz, Senior Learning and Development Manager, has overall responsibility for training. Ms. Kravitz has over 20 years of experience in the field of training and a Masters in Adult Education from the University of Illinois. As of the date of this disclosure document, Ms. Kravitz is the individual responsible for training.

At the initial training, we use a variety of instructional materials, including handouts, PowerPoints, videos and webinars.

a. General

Except as indicated, all franchisees and/or their Designated Managers must attend the full initial training program, as follows:

i. If you are acquiring your first Franchised Business through transfer, you (if you are an individual) or (if you are an entity) an individual with ownership in you must attend and complete all segments of the initial training program to our reasonable satisfaction as a condition of transfer.

ii. If you are signing a Start-up Agreement, you (if you are an individual) or (if you are an entity) an individual with ownership in you must attend and complete all segments of the initial training program to our reasonable satisfaction within 60 days after signing the Franchise Agreement or during the next scheduled training that we conduct after signing the Franchise Agreement. (Franchise Agreement § 7.2.1) Outside

circumstances that delay opening (licensure, etc.) may alter this timeframe. If you have a Designated Manager, the Designated Manager must also attend and complete the initial training to our reasonable satisfaction within the stated time periods. Failure to complete the full initial training program to our satisfaction is a material default under the Franchise Agreement. (Franchise Agreement § 11.1.2(b))

iii. Within 6 months after being hired, each subsequent Designated Manager you employ must also attend and successfully complete the first two segments of the initial training program. (Franchise Agreement § 7.2.1)

Although our costs to provide initial training exceed $5,000, we do not charge a fee for initial training because we believe it is extremely important for you to receive initial training. Certain portions of our initial training program involve certification by third parties with associated certification costs. Generally, you must reimburse us for costs (not to exceed $750 per person) we pay to third party certification and similar entities for individuals you send to the full initial training program or who participate in the portions of that program that include certification courses.

If you are signing a Start-up Agreement, you may send two persons to the full initial training program without reimbursing us for certification costs. We will reserve two spaces in corporate-based initial training after you sign the Franchise Agreement; additional trainees from your Franchised Business may attend corporate-based initial training with you or subsequent corporate-based initial training if there are open training spaces in a given training class. You must pay all incidental training expenses, such as travel, meals and lodging, for you and your employees. You and your employees will not be paid for any work performed as part of the initial training program, including work at a Training Location.

b. Additional Training

We may offer additional training or refresher courses periodically and may require you and/or your Designated Manager to attend. We may use any means of training that we deem advisable, including online training, training via teleconferencing, and video conferencing. (Franchise Agreement § 5.1.2) We will not charge a fee for any additional training that we require. In connection with additional non-mandatory training, we may require you to pay a training fee for these additional courses, regardless of whether they are provided separately or in connection with other franchisee events, but only if we incur out-of-pocket costs associated with a speaker or other program. Training fees will be calculated on a per-attendee basis. (Franchise Agreement § 7.2.1) After initial training, you must contract with an approved vendor (Care Academy or Relias Learning) which offers an online learning system for caregivers and staff. The approved vendor requires you to sign a 1-year contract. If you contract with Care Academy, we will pay for the first year of the contract. We do not receive any revenue from Care Academy or Relias Learning and there is no relationship between Care Academy or Relias Learning and us apart from Care Academy and Relias Learning being approved vendors.

You must pay any incidental costs, such as travel, meals, and lodging expenses that you or your employees incur during training. (Franchise Agreement § 7.2.1)

Computer Systems

You must purchase and use computer and technology hardware, peripherals, communications facilities, and software (including data collection software and other online data collection tools, web-based programs, and software technology platforms, as well as the hardware necessary for their proper functioning) (all of the these, individually and collectively, are referred to as the "Computer System") in accordance with our specifications, from approved or designated suppliers, and/or as provided in the Manual or otherwise in writing. (Franchise Agreement § 7.2.8)

Under our current specifications, you must have high-speed Internet access through an independent Internet service provider and a persistent high-speed Internet connection via cable, Fiber, DSL, or satellite access, that permits us remote access and information retrieval and allows you to login to our web-based applications. In addition, we currently require and use the following hardware and software:

- Latest Microsoft Windows platform personal computer (PC) with latest Intel processor, a minimum 256 GB hard drive storage, and at least 8 gigabytes of RAM
- Laser or Officejet printer
- Microsoft Windows 10 operating system, or higher
- Microsoft Internet Explorer, version 11.0 or higher
- Microsoft Office Suite 2016 or higher
- Adobe Acrobat Reader
- Anti-virus protection (no specification)
- Backup software is highly recommended but not mandatory

The cost of buying this hardware and software will vary, but we estimate that the cost will be between $1,600 and $2,500.

We, our affiliates and/or our related parties may condition any license of proprietary and/or approved third party software (including as part of software technology platforms) to you, or your use of technology that we, our affiliates and/or related parties develop or maintain, on your signing a software license agreement or similar document, or otherwise agreeing to the terms (that we, our affiliates, and/or our related parties prescribe to regulate your use of, and the parties' respective rights and responsibilities with respect to, the software or technology.

If we require you to use one or more proprietary and/or approved third party software technology platforms that we support (regardless of whether that platform is owned by us, an affiliate or a third party), we may require you to pay an annual fee per platform for the cost of providing technical support and of developing, maintaining, and supporting the technology platforms. These annual fees may be increased annually based on increased costs and technology changes following 30 days' notice from us. Following 60 days’ notice from us of the

implementation of an aggregated data tool, you must begin and continue participating in a defined collection process (as it may be modified and amended) and pay an annual fee. This fee may be increased annually based on increased costs and technology changes following 30 days' notice from us. (Franchise Agreement § 7.2.8)

Unless we provide support for proprietary and/or third party software technology platforms, you are solely responsible for the ongoing maintenance of your Computer System. (Franchise Agreement § 7.2.8) Neither we, nor any affiliate or third party, is obligated to provide ongoing maintenance, repairs, upgrades or updates for the Computer System. When components of your Computer System are upgraded by their manufacturers, we may require you to purchase the upgraded components. Normally, we will not ask you to upgrade your Computer System more than once a year; however, the Franchise Agreement does not limit the frequency or costs associated with the updates and upgrades we may require.

Although we cannot effectively estimate the costs of any additional computer and/or technology systems or required service or support, you must, within a 4-month period following our announcement of an additional technology requirement, acquire and install all hardware, software, and peripherals (including all subsequent upgrades), install all communication facilities, contract for all required support and maintenance, and meet all other requirements we may specify. We will act in good faith when requiring technology improvements. However, should the anticipated cost to install and implement an improvement exceed $2,500 per Franchised Business, then the installation and implementation deadline will be extended to a total of 12 months. If the anticipated cost to install and implement the additional technology improvement exceeds $5,000 per Franchised Business, then the installation and implementation deadline will be extended to a total of 18 months from the original date of our announcement of the technology requirement. (Franchise Agreement § 7.2.8)

If you sign a Start-up Agreement, we will pay for the following, if you begin using the programs described within 6 months of your Start Date: the start-up fee and a 1-year subscription to a third party vendor’s scheduling program to automate scheduling and invoicing unique to our system (Franchise Agreement § 5.9). If you wish to continue using the program after the first year, you must pay the applicable vendor's license fee. As of the date of this disclosure document, the license fee for the scheduling program is a minimum of $250 per month and is a function of the number of your Clients (not applicable during the first year). The prices for this program may increase in the future.

If any equipment, and/or any component of the Computer System you use provides for remote monitoring capability, you must, upon our reasonable request, permit us to access and download information. (Franchise Agreement § 7.2.8) Similarly, we may independently access information on any web-based programs that you use, including the program related to SafetyChoice® technology services and equipment and data warehousing. (Franchise Agreement § 7.2.8) Although there are no contractual limitations on our right to access any information your Computer System and/or web-based programs produce, in many cases we will be physically unable to do so without your active, continuing cooperation. We will not, without your permission or as may be otherwise required by law, share with other franchisees or prospective franchisees any information in a form that identifies you or your Franchised Business; but you acknowledge that federal law relating to the making of financial performance representations in the sale of

franchises may require us to provide identifying information about your Franchised Business to prospective franchisees. All Client information belongs to us, regardless of who develops it, and we may use it in any way we deem advisable. (Franchise Agreement § 7.2.8) See Item 14 of this disclosure document.

Site Selection and Office Location

We are not responsible for assisting you in finding a site for your Office, nor are you required to obtain our approval of your site. Your Office must be in commercial or retail space in your territory. (Franchise Agreement § 7.2.3) See Item 12 of this disclosure document. If at any time we notify you that, in our reasonable judgment, the site or condition of your Office materially damages the goodwill associated with the Comfort Keepers® Marks, you must relocate the Office within 60 days. (Franchise Agreement § 7.2.3) Factors that may damage the goodwill associated with the Marks and require change of your Office's location include deterioration of the neighborhood (appearance, crime rate, vacancy rate), detrimental change in tenant mix (for example, to include businesses that are not family-oriented), and similar factors.

You may not use your Office premises for any purpose other than the operation of your Franchised Business. These requirements also apply to any Satellite Unit you may operate. A Satellite Unit is a physical facility that you may operate on a full-time or part-time basis, in addition to an Office, in your Territory. You must have our permission to establish a Satellite Unit and you must notify us at least 5 days before you close the Satellite Unit. (Franchise Agreement § 7.2.3) If you are signing an Expansion Agreement or renewal Franchise Agreement, you need not have an Office in your Territory if you have an Office in one of the contiguous territories (outside of the New York City Boroughs) you operate under other Franchise Agreements with us.

We do not provide assistance with conforming your Office premises to local ordinances and building codes, in your obtaining permits, in constructing, remodeling or decorating your Office premises or in hiring and training employees.

Length of Time Before Beginning Operations

The length of time between your signing the Franchise Agreement and beginning operations will normally be between 60 and 90 days. The length of time between your signing a Franchise Deposit Agreement and beginning operations will normally be between 240 and 270 days. Factors affecting the length of time before you begin operations will be whether you participate in the first available corporate-based training, how long you take to fulfill previous employment commitments, how long it takes you to hire and train personnel, how quickly you initiate marketing and advertising efforts, and, if you signed a Franchise Deposit Agreement, how quickly you sign the Franchise Agreement. In addition, there can be delays in obtaining required licenses in some states. You may not begin operations until the following conditions have been met (Franchise Agreement § 7.2.2):

a. You and/or, as applicable, your Designated Manager satisfactorily completes initial training.

b. You have at least 2 full-time employees (one of whom may be you) or their equivalent.

c. You have obtained the required insurance and provided a certificate of insurance to us.

d. You have obtained all licenses (if any) required to offer homemaker/companionship in your state and provided a copy of each license (if any) to us.

You must be ready, and begin offering, homemaker/companionship services and Personal Technology Services by the Start Date specified in the Franchise Agreement. You must be ready to provide, and must begin offering, personal care services on the later of: (1) 90 days after the Start Date; or (2) provided that your applications were filed in a timely manner, the date on which you receive any required licensure. (Franchise Agreement § 7.2.2) Under a Start-up Agreement, the Start Date will be the final day of the calendar month following the month in which initial training was completed or required to be completed (60 days after the effective date of the Franchise Agreement), whichever is earlier. Under an Expansion Agreement, the Start Date will be 60 days after you sign the Franchise Agreement. Under a Franchise Agreement signed pursuant to a transfer, the Start Date will be the effective date of the Franchise Agreement. (Franchise Agreement § 7.2.2)

Continuing Services

So long as you are in good standing under the Franchise Agreement, we will provide the following services to you after you begin operations of your Franchised Business:

a. We will provide such periodic and continuing advisory assistance to you in the operation of your Franchised Business as we deem advisable. (Franchise Agreement § 5.2) We may provide this assistance by telephone, e-mail, Office visits, additional training, and/or other means we deem appropriate.

b. We will provide such marketing assistance and develop such marketing and advertising programs as we deem advisable. We will also periodically make available, at your expense, marketing and other materials for your use in advertising. (Franchise Agreement § 5.3) See "Advertising Services" following in this Item 11.

c. We will, as we deem advisable, research new services for you to offer under the Franchise Agreement. (Franchise Agreement § 5.4)

d. We will periodically revise the Manual to conform to the changing needs of the System and we will provide you with these revisions by such means as we deem advisable, including via e-mail, posting on our intranet for franchisees, and/or other means. (Franchise Agreement § 5.5)

e. We will make available to you, for lease or purchase, Personal Technology Services and Equipment. (Franchise Agreement § 5.6)

f. We will provide you with a list of names and addresses of suppliers of goods and services that meet our standards and specifications and of our approved and designated suppliers. (Franchise Agreement § 5.8) To the extent possible, we will pass on to you any warranty we receive from the manufacturer of Equipment. We do not provide assistance to you in connection

with your acquisition of equipment or fixtures. Signs that bear our Marks must meet our specifications as set forth in the Manual.

g. We will, as we deem advisable, coordinate periodic meetings of franchisees on a local, regional, and/or national basis. These meetings may be held in person, online, electronic, by teleconference, by videoconference, or by such other means as we deem advisable. We may charge a fee to attend the national conference of franchisees; otherwise, we may charge a fee (calculated on a per-attendee basis) only if we incur out-of-pocket costs associated with a speaker or other program. (Franchise Agreement § 5.10) See Item 6 of this disclosure document.

Advertising Services

a. **Advertising Materials**. We periodically will make available to you at your expense, marketing and other materials for your use in advertising. (Franchise Agreement § 5.3) You must submit to us for approval copies of all other advertising materials that you propose to use at least 3 weeks before the first time you broadcast or publish them. (Franchise Agreement § 8.5) We may require you to provide us sample runs of all online and offline advertising you propose to use. (Franchise Agreement § 8.5). We will review the materials and notify you in writing within 14 days whether we approve or reject the materials. We may not withhold our approval unreasonably. (Franchise Agreement § 8.5) Advertising materials that differ in text from previously approved materials only in variables such as date or price will be considered to be previously approved but those materials must continue to meet our standards for quality.

Even if we have approved specified materials, we may later withdraw our approval if we reasonably believe it necessary to make the advertising conform to changes in the System (including changes to brand and advertising standards) or to correct unacceptable features of the advertising, including any misrepresentation in the advertising material. (Franchise Agreement § 8.5) We may require that any third party you choose to assist you with advertising efforts sign a license agreement governing the third party's use of the Marks on your behalf. (Franchise Agreement § 8.5)

b. **Local Advertising**. Each month you must spend the greater of $1,000 or 2% of Gross Revenue on local advertising that conforms to Standards and that we have approved in the Manual or otherwise in writing. "Local advertising" includes advertising, marketing, promotional events, public relations, paid digital advertising, social media, search engine marketing, search engine optimization of your local webpage, and other brand development and caregiver recruitment activities and materials that enhance the brand but are targeted primarily to promoting your Franchised Business. We can change this minimum requirement each year by the amount of the change in the CPI.

Upon our request, you must submit to us invoices showing compliance with this requirement. (Franchise Agreement § 8.4) If it is prudent for your area, we encourage you to spend more on local advertising to grow your Franchised Business. You may not direct advertising for prospective Clients outside of your territory unless we give our written consent in the Manual or otherwise. (Franchise Agreement §§ 4.2 and 8.4)

c. National Brand Fund. In February 2013, Comfort Keepers franchisees voted to implement a National Brand Fund to engage in brand enhancement activities for the Network on a national basis. CKFI, working with the National Advisory Council of franchisees ("NAC") (see subsection f. "National Advisory Council," below), developed the NBF Addendum, which you will sign, and which suspends and supersedes the provisions of Section 8.1 (b) through (k) of the Franchise Agreement. The National Brand Fund operated under the terms of the NBF Addendum is called the "NBF" in this Item. The NBF was implemented in April 2013. During our last fiscal year, 12% of the NBF's expenditures were on call center activities and analytics, 54% on paid media and lead generation services, 24% on social marketing, public relations, branding and creative production, and 10% on administrative expenses.

You must begin making the monthly contribution to the NBF in the month in which your first royalty fee is due. (See Item 6 of this disclosure document) Contributions are set at the lesser of $731.92 per month or 2% of monthly Gross Revenue. (NBF Addendum § 4.7) Annually, CKFI may change the monthly contribution by the amount of the increase or decrease in the CPI. In addition, the amount of the NBF contribution may be increased and/or the methodology for determining the NBF contribution may be changed by the affirmative vote of a majority of franchisees in good standing, including company-owned Units. (NBF Addendum § 4.7) For any company-owned Units, we will contribute to the NBF on the same basis as franchisees. CKFI also contributed $500,000 for each of the initial first five calendar years of operation of the NBF (prorated during 2013 since it was a partial year) and at least $100,000 for each budget year of the NBF's existence thereafter until (and including) its tenth year of operation. (NBF Addendum § 4.5) CKFI will also spend at least $815,000 per year on Marketing Department expenses (exclusive of expenses related to franchise development advertising and activities) to maintain activities of the Marketing Department for franchisees at similar levels (but not necessarily the same or similar activities) to the activities received by the Network during 2012. (NBF Addendum § 4.6)

The purpose of the NBF is to promote, on a national basis, the goodwill and public image of the System, Network, and Marks and to develop brand enhancement programs and materials. "Brand enhancement" includes advertising, marketing, promotions, promotional events, public relations, website, social media, mobile, paid digital advertising, search engine marketing and search engine optimization, and all other brand development and caregiver recruitment activities and materials (whether in electronic or other form) designed to promote the goodwill and public image of the System, Network, and Marks.

Each fall, the NBF Advisory Committee, a committee of the NAC, will, working together with CKFI and appropriate outside agencies or consultants, propose to the NAC a brand enhancement activities budget for the following calendar year, including the recommended advertising media to be utilized by the NBF during that budget year and the recommended amount to be spent in each medium, the media spend and budget to the NAC. (NBF Addendum § 4.2.3) Any form of media may be used. If the NAC recommends the media spend and budget to CKFI, CKFI will implement that recommendation unless CKFI determines that (a) unanticipated expenditures require a change, (b) the recommendation represents an imprudent or ill-advised use of the NBF, and/or (c) the recommended medium or media are inconsistent with CKFI's plans for positioning for the Network and System. (NBF Addendum § 4.2.3) In addition, CKFI retains control of the brand message. (NBF Addendum § 4.2.4) See subsection f. "National Advisory

Council" for information concerning the formation and composition of the NAC and the NBF Advisory Committee.

The NBF (including any interest that may accrue on NBF contributions) may be used to fund or pay all brand enhancement activities and their related costs, including:

(i) The cost of any purchased media time (paid advertising, also known as "media weight") in any medium (broadcast or cable television, print, radio, outdoor displays, online/digital advertising, and so forth);

(ii) The costs incurred for advertising agencies, public relations agencies, and/or other advisors;

(iii) The costs of designing, conducting, and administering national public relations projects and events (including projects and events that are intended for roll-out to the Network if successful, and nationwide roll-outs of projects and events on a region by region basis) intended to enhance the goodwill and public image of the System, Network, and Marks, including participation in and/or joint public relations projects with CKFI affiliates and/or others;

(iv) The costs of market research, including branding studies, consumer research, competitive research, and similar programs;

(v) The costs of preparing, producing, and placing brand enhancement materials in any medium (video, audio, written, electronically-disseminated materials or other medium), including direct mail, Internet, mobile, and social media advertising;

(vi) The costs associated with running a call center or providing another electronic mechanism for capturing leads generated by the NBF's brand enhancement activities;

(vii) The costs of purchasing promotional items;

(viii) The costs of designing and administering national brand enhancement programs and activities (including activities such as local and regional trials and/or pilots that are intended for roll-out to the Network if successful, and nationwide roll-outs of programs and activities on a region by region basis) of all types, including social media programs, search engine optimization, pay per click programs, and purchasing media advertising;

(ix) The costs of obtaining sponsorships and endorsements, and developing alliances, marketing and sales promotions, provider relationships, customer loyalty programs, and similar brand enhancement activities and programs;

(x) The costs of establishing, designing, maintaining, updating, and upgrading one or more consumer-oriented Internet, on-line, mobile, and other electronic applications, including hosting, maintenance, web-optimization, search engine marketing, and similar costs (provided, however, that CKFI will be responsible for development, hosting, maintenance, and optimization costs associated with maintaining, at its current or similar functionality, the website at www.comfortkeepers.com);

(xi) All administrative costs associated with NBF activities; and

(xii) To preserve flexibility in meeting competition and taking advantage of new brand enhancement vehicles and media that may develop and/or change over time, the costs of such other national brand enhancement activities as may be deemed advisable.

No NBF contributions may be spent on any activity that is intended to only be local and/or regional. In addition, no part of the NBF will be used to pay for anything whose primary purpose is the marketing of franchises and/or to fund any activity of CKFI that is not primarily related to carrying out the purpose of the NBF. (NBF Addendum § 4.3)

We may administer the NBF as a segregated fund, or we may cause the NBF to be incorporated or operated through an entity separate from us at the time we deem appropriate, and the successor entity will have all of our rights and duties. (NBF Addendum § 4.4) There is a target cap of 10% on administrative costs associated with the NBF, but the NBF must pay all of its own expenses. (NBF Addendum § 4.2.3) As part of the administrative costs and other expenses of the NBF, CKFI may reimburse itself from the NBF for such reasonable salary costs of CKFI's employees, and such administrative and overhead costs and expenses as CKFI may incur in activities reasonably related to the administration of the NBF and its brand enhancement programs and activities. Those costs and expenses include agency fees, legal fees, travel expenses, insurance and indemnification related to NBF activities for members of the NAC and NBF Advisory Committee, preparing or procuring market studies, preparing or procuring reports required by the NBF Addendum or requested by the NAC and/or NBF Advisory Committee, repayment of funds advanced and/or funds loaned pursuant to the NBF, judgments and settlements, preparing brand enhancement materials, regulatory, tax, and other compliance activities, expenses related to governance, collecting and accounting for contributions to and expenditures by the NBF, and preparing for and assisting in any independent audit that may be done of the NBF. CKFI may not reimburse itself for any of its general operating expenses. (NBF Addendum § 4.4)

We may use collection agents and bring legal proceedings at the NBF's expense to collect NBF contributions. We may forgive, waive, settle, and compromise all claims by or against the NBF, including, in our sole judgment, claims involving individual Franchised Businesses. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the NBF. (NBF Addendum § 4.4)

The NBF is audited every three years. In addition, the NBF Advisory Committee and/or the NAC may budget for and request an audit at any time, and if one-third of Franchised Businesses in good standing request in writing that the NBF be audited, CKFI will schedule an audit within three months. (NBF Addendum § 4.9) By the 30th day of the first month following the end of each calendar quarter, CKFI will provide to the NBF Advisory Committee an unaudited statement of contributions to and expenditures by the NBF during the preceding quarter. In addition, by March 31 of each year, CKFI will prepare an unaudited statement of contributions to and expenditures by the NBF during the preceding calendar year. CKFI will furnish that annual accounting to the NAC and the NBF Advisory Committee. In addition, CKFI will present a financial report to the NAC at each regular meeting. These accountings and financial reports will be posted on the Intranet or otherwise made available to franchisees.

After receiving input from the NAC and the NBF Advisory Committee, CKFI will exercise its discretion with respect to maintaining, directing, or administering the NBF. The NBF is a trust and members of the NBF Advisory Committee, members of the NAC, and CKFI have no fiduciary obligation to you with respect to the NBF. (NBF Addendum § 4.8) Except in the case of malfeasance, you and the NBF release and hold harmless, and the NBF will indemnify members of the NBF Advisory Committee, members of the NAC, and CKFI against any action or decision

taken with respect to the NBF, including claims brought by third parties. The NBF may purchase appropriate insurance for NAC and NBF Advisory Committee members with respect to such claims.

CKFI will attempt to spend NBF contributions so as to provide benefits to all participating Franchised Businesses and company-owned Units, but CKFI has no obligation to ensure that expenditures by the NBF in or affecting any geographic area are proportionate or equivalent to the contributions to the NBF by Franchised Businesses operating in that area or that any Franchised Business, including yours, will benefit in any manner directly or in proportion to its contribution to the NBF. Your failure to derive any proportionate, direct, or quantifiable benefit from NBF activities and expenditures will not serve as a basis for (a) a claim against the NAC, any NBF Advisory Committee Member and/CKFI, or the NBF, or (b) a reduction or elimination of your obligation to contribute to the NBF.

You agree to reimburse the NBF for any costs (including reasonable legal fees and costs) incurred in collecting NBF contributions you have not paid. If you or CKFI has both a claim (or counter-claim) related to the NBF and a claim (or counter-claim) unrelated to the NBF, the claim (or counterclaim) unrelated to the NBF must be brought separately under the dispute resolution provisions of the Franchise Agreement. (NBF Addendum § 5)

The NBF will be administered on a calendar year basis. The NBF may spend in any calendar year an amount greater or less than the aggregate contribution of the Network to the NBF in that year. If needed to augment cash flows to meet budgeted expenditures, CKFI may borrow money on behalf of the NBF from any source offering competitive rates and terms, or, at the request of the NAC, CKFI may lend money to the NBF but only at the best rates and terms CKFI is able to obtain for itself. CKFI has no obligation to make any loan to the NBF. The total of all loans outstanding at any time may not exceed 50% of that calendar year's expected NBF contributions. Except in the case of termination of the NBF, the NBF will retain for future use any amounts that are not disbursed in a given calendar year. (NBF Addendum § 4.4)

The NBF may be terminated by the affirmative vote (one vote per territory) of the majority of the combined total of Comfort Keepers® Franchised Businesses and company-owned Units then in good standing, according to the procedure set forth in this paragraph. If one-third or more of Franchised Businesses in good standing request in writing that termination of the NBF be put to a vote, that vote will be conducted. CKFI will conduct the vote as soon as practicable but no later than 3 months after receipt of the written request by at least one-third of Franchised Businesses in good standing. If the vote is against termination of the NBF, the NBF will continue. This procedure for termination by vote may be utilized no more often than once every 3 years. CKFI may terminate the NBF at any time, following consultation with the NAC and the NBF Advisory Committee. (NBF Addendum § 4.10)

If the NBF is terminated for any reason, you and CKFI must continue to make your and its respective NBF contributions until all loans and other outstanding financial obligations of the NBF have been paid in full. If there are any funds remaining in the NBF after the NBF has paid all of its outstanding loans and financial obligations, CKFI will return contributions to then-current franchisees (that is, not to a prior franchise owner if a transfer has taken place or a Franchise Agreement has expired), to then-existing company-owned Units, and to itself on a pro-rata basis

based on their and its contributions during the 12 calendar months preceding the return of contributions. (NBF Addendum § 4.10)

If the NBF operated under the NBF Addendum is terminated for any reason, then, along with any provisions of the NBF Addendum that survive termination of that NBF, the provisions of Sections 8.l (b) through (k) of the Franchise Agreement will be reinstated. In that case, CKFI would have the right, at a time it deems advisable, to implement a Brand Fund under the terms of those Franchise Agreement sections ("Brand Fund").

When we establish the Brand Fund, you must make a monthly contribution to it by EFT together with your royalty fee. Contributions may range from .5% to 2% of your Gross Revenue, as we determine. (Franchise Agreement § 8.1) Company-owned Units will contribute to the Brand Fund on the same basis as franchisees. In addition, we will match contributions by franchisees, up to a maximum of 1% of the total Brand Fund contributions paid to the Brand Fund during the applicable period. (Franchise Agreement § 8.1)

The purpose of the Brand Fund will be to promote the goodwill and public image of the System and Network and Marks and to develop brand enhancement programs and materials as we deem appropriate. "Brand enhancement" includes advertising, marketing promotions, public relations, and other brand development activities and materials designed to promote the goodwill and public image of the System, Network, and Marks. We will work closely with the NAC, if any (see "f. National Advisory Council" following in this Item 11), in devising the content and the format of all brand enhancement activities by the Brand Fund, but we will control both the activities and the expenditures of the Brand Fund, including all decisions concerning the creative concepts, materials, content, and endorsements used in these activities and the geographic, market, and media placement and allocation of all brand enhancement activities by the Fund. We may use any form of media for any brand enhancement activities we authorize. (Franchise Agreement § 8.1)

We may use the Brand Fund (including any interest that may accrue on Brand Fund contributions) to pay (Franchise Agreement § 8.1):

(i) The costs of any purchased media time (paid advertising, also known as "media weight") in any medium (broadcast or cable television, print, radio, outdoor displays, online/digital advertising, and so forth);

(ii) The costs incurred for advertising agencies, public relations agencies, and/or other advisors;

(iii) The costs of designing, conducting, and administering national public relations projects and events (including projects and events that are intended for roll-out to the Network if successful, and nationwide roll-outs of projects and events on a region by region basis) intended to enhance the goodwill and public image of the System, Network, and Marks, including participation in and/or joint public relations projects with CKFI affiliates and/or others;

(iv) The costs of market research, including branding studies, consumer research, competitive research, and similar programs;

(v) The costs of preparing, producing, and placing brand enhancement materials in any medium (video, audio, written, electronically-disseminated materials or other medium), including direct mail, Internet, mobile, and social media advertising;

(vi) The costs associated with running a call center or providing another electronic mechanism for capturing leads generated by the Brand Fund's brand enhancement activities;

(vii) The costs of purchasing promotional items;

(viii) The costs of designing and administering national brand enhancement programs and activities (including activities such as local and regional trials and/or pilots that are intended for roll-out to the Network if successful, and nationwide roll-outs of programs and activities on a region by region basis) of all types, including social media programs, search engine optimization, pay per click programs, and purchasing media advertising;

(ix) The costs of obtaining sponsorships and endorsements, and developing alliances, marketing and sales promotions, provider relationships, customer loyalty programs, and similar brand enhancement activities and programs;

(x) The costs of establishing, designing, maintaining, updating, and upgrading one or more consumer-oriented Internet, on-line, mobile, and other electronic applications, including hosting, maintenance, web-optimization, search engine marketing, and similar costs (provided, however, that CKFI will be responsible for development, hosting, maintenance, and optimization costs associated with maintaining, at its current or similar functionality, the website at www.comfortkeepers.com);

(xi) All administrative costs associated with the Brand Fund; and

(xii) To preserve flexibility in meeting competition and taking advantage of new brand enhancement vehicles and media that may develop and/or change over time, the costs of such other national brand enhancement activities as CKFI may deem advisable.

The Brand Fund may pay our affiliates for any services or products they provide in connection with the activities and operations listed above. (Franchise Agreement § 8.1)

Administrative costs of the Brand Fund include, and we may reimburse ourselves for, such reasonable salary costs of CKFI's employees, and such administrative and overhead costs and expenses, as CKFI may incur in activities reasonably related to the administration of the Brand Fund and its brand enhancement programs and activities. Those costs and expenses include agency fees, legal fees, travel expenses, preparing or procuring market studies, preparing or procuring reports related to the Brand Fund, repayment of funds advanced or loaned by CKFI to the Brand Fund, judgments and settlements, preparing brand enhancement materials, regulatory, tax, and other compliance activities, expenses related to governance, collecting and accounting for contributions to and expenditures by the Brand Fund, costs of collection of delinquent Brand Fund contributions (including the cost of collection agencies and attorney fees) and preparing for and assisting in any independent audit that may be done of the Brand Fund. (Franchise Agreement § 8.1)

We may use collection agents and bring legal proceedings at the Brand Fund's expense to collect Brand Fund contributions. We may forgive, waive, settle, and compromise all claims by or against the Brand Fund, including, in its sole judgment, claims involving individual Franchised Businesses. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund. (Franchise Agreement § 8.1) You agree to reimburse the Brand Fund for any costs (including reasonable legal fees and costs) incurred in collecting Brand Fund contributions you have not paid. If you or CKFI has both a claim (or counter-claim) related to the Brand Fund and a claim (or counter-claim) unrelated to the Brand Fund, the claim (or counterclaim) unrelated to the Brand Fund must be brought separately under the dispute resolution provisions of the Franchise Agreement.

We will not use any part of the Brand Fund to pay for anything whose sole purpose is the marketing of franchises, but the Brand Fund may pay for media, materials, and programs, including one or more consumer-oriented websites, that may contain information about and/or support franchising opportunities and sales. (Franchise Agreement § 8.1)

We may administer the Brand Fund as a segregated fund or we may cause the Brand Fund to be incorporated or operated through an entity separate from us at the time we deem appropriate, and the successor entity will have all of our rights and duties. The Brand Fund is not a trust and CKFI has no fiduciary obligation to you with respect to the Brand Fund. (Franchise Agreement § 8.1) You release and hold harmless CKFI with respect to any action or decision taken with respect to the Brand Fund except in the case of malfeasance. In addition, the Brand Fund will indemnify and hold harmless CKFI with respect to any action or decision taken with respect to the Brand Fund except in the case of malfeasance.

Within 90 days after the close of our fiscal year, we will prepare an annual statement of contributions to and expenditures by the Brand Fund during that fiscal year. We will furnish the annual statement to you upon your written request; we will not prepare interim reports. There is no requirement for an audit of the Brand Fund. (Franchise Agreement § 8.1)

We will attempt to spend Brand Fund contributions so as to provide benefits to all participating Franchised Businesses, but we have no obligation to ensure that expenditures by the Brand Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Fund by Franchised Businesses operating in that area or that any Franchised Business will benefit in any manner directly or in proportion to its contribution to the Brand Fund. Your failure to derive any proportionate, direct, or quantifiable benefit from Brand Fund activities and expenditures will not serve as a basis for a claim against us or the Brand Fund or a reduction or elimination of your obligation to contribute to the Brand Fund. (Franchise Agreement § 8.1)

We may spend in any fiscal year an amount greater or less than the aggregate contribution of all Franchised Businesses to the Brand Fund in that year. We may advance monies to the Brand Fund, charge the Brand Fund interest on those advances at one percent above the prime rate then designated by any major bank we select, and authorize repayment of the advances from the Brand Fund. We will retain in the Brand Fund for future use any amounts that are not disbursed in a given fiscal year.

We may terminate the Brand Fund at any time. If we do so, you and CKFI must continue to make your and its respective Brand Fund contributions until all loans and other outstanding financial obligations of the Brand Fund (whether to CKFI or others) have been paid in full. If there are any funds remaining in the Brand Fund after the Brand Fund has paid all of its outstanding loans and financial obligations, CKFI will return contributions to then-current franchisees (that is, not to a prior franchise owner if a transfer has taken place or a Franchise Agreement has expired), to then-existing company-owned Units, and to itself on a pro-rata basis based on their and its contributions during the twelve calendar months preceding the return of contributions. (Franchise Agreement § 8.1)

d. Cooperative Advertising Program. Under the NBF Addendum, the provision in the Franchise Agreement that permits CKFI to mandate advertising cooperatives has been suspended. (NBF Addendum § 2) If the NBF is terminated for any reason, the Franchise Agreement provision relating to cooperative advertising will be reinstated. If that provision is reinstated, the following will apply: CKFI can, in its sole judgment, establish advertising cooperatives for Franchised Businesses located within a particular geographic area or region. (Franchise Agreement § 8.3) If we establish an advertising cooperative ("Cooperative") for an area that includes your Territory (as defined in Item 12 of this disclosure document), you must join it. We will establish the rules and procedures under which the Cooperative will operate, but we can delegate to the Cooperative the power to self-administer the funds the Cooperative uses. You must abide by the decisions we make for the Cooperative and, as applicable, by the decisions of the Cooperative. We can direct you to allocate all or any portion of your local advertising budget to the Cooperative, but these payments will count toward the amount you must spend on local advertising. We have the sole right to determine the geographic areas for the cooperatives and we can dissolve, change or merge the cooperatives at any time. (Franchise Agreement § 8.3) To the extent that any company-owned Unit is in an area in which a Cooperative operates, the company-owned Unit would contribute to the Cooperative on the same basis as a Franchised Business.

We encourage franchisees in a Cooperative to agree to voluntarily contribute additional funds for cooperative brand enhancement activities beyond those required under the Franchise Agreement. The amount of the additional contribution and the type of cooperative brand enhancement activities to be undertaken would be decided by majority vote of the members of the Cooperative (each Franchised Business in good standing with us and with the Cooperative having one vote). As with all advertising our franchisees use, we retain the right to approve and disapprove advertising. See "a. Advertising Materials" previously in this Item 11.

e. Other Marketing Programs. We may establish and/or coordinate marketing and sales programs, client loyalty programs, and those other programs or activities that we deem appropriate. These programs may be on a local, national, and/or regional basis and may involve other entities or businesses. We believe that participation in these types of programs can be critical to your Franchised Business' success and we may require you to participate in some or all of these programs and activities. Participation in these programs and activities may require you to incur program-related expenses and/or to accept a uniform fee schedule (which may set fees at a discount to the fees you normally charge). (Franchise Agreement § 8.2)

f. National Advisory Council. CKFI has a National Advisory Council, consisting of up to 15 franchisees elected at large by franchisees. We also appoint 3 members from our staff.

The elected council members serve staggered 3-year terms. The NBF Addendum provides for the NAC to establish an NBF Advisory Committee. The NBF Advisory Committee will initially have 9 members, consisting of an owner from each of 7 franchises (2 NAC franchisee members and 5 owners from the at-large franchisee community) and 2 CKFI staff members. Two owners from the same or related franchise entities may not serve on the NBF Advisory Committee at the same time. The NAC may from time to time, as it deems advisable, change the number of members of the NBF Advisory Committee, but there must always be at least 2 CKFI staff members on the NBF Advisory Committee and the ratio of CKFI staff members to franchisee members may not exceed 2 to 7. The NAC will establish guidelines for the operation of the NBF Advisory Committee. The NAC and its committees serve only in an advisory capacity. We can change or dissolve the NAC and its committees at any time; however, under the NBF Addendum, we have agreed that, if for any reason there is no NAC and the Brand Fund is still in existence, we will immediately constitute a committee with the same membership composition and ratio as outlined above for the NBF Advisory Committee.

g. Websites and Electronic Media. You may not establish a stand-alone website, blogs, social media sites or register any domain name that uses any part of the Marks, including the letters "CK," or creates any association with the Network, without CKFI's prior written consent or except as provided in the Manual. If you request, we will include on our website one or more interior pages about your Franchised Business. (Franchise Agreement § 8.7) We own and control all of those subdomains and subdirectories and will designate the subdomain or subdirectory you will use for these interior pages (for example, www.comfortkeepers.com/offices/smallville-oh); we may, as we deem advisable, change the subdomain/subdirectory assigned to your Franchised Business. (Franchise Agreement § 8.7)

We will give you a template for these pages but you must develop them at your expense, using our designated vendor (unless CKFI permits otherwise in the Manual) and in accordance with the Standards. Periodically, we will review the form, content, and programming quality of these pages and may request that changes or updates be made to the pages. (Franchise Agreement § 8.7) In addition, we will include your Franchised Business on a Franchised Business locater page on our website. (Franchise Agreement § 8.7) If you are in default under the Franchise Agreement or otherwise fail to comply with any standards we have established for the CK Intranet or our website, we can suspend your access to all or any part of the CK Intranet and remove your interior pages from the website until you cure the breach. (Franchise Agreement §§ 8.6, 8.7) We have no obligation to maintain a website and may discontinue it at any time. (Franchise Agreement § 8.7)

With our prior approval, you may create and maintain a separate landing page for pay-per-click advertising that exists on a separate domain that follows the above approval process. This page must not be visible to search engines to assure that it does not compete with the main Comfort Keepers website, the franchise sales website or any other website operated by us now or in the future. If you chose to develop a landing page, it must be done at your expense, using vendors approved and/or designated by us and in accordance with the Standards. Any landing page developed by you must contain the approved Comfort Keepers privacy and cookie policies.

The National Brand Fund maintains, at the national level, certain properties that are owned by third-party companies; such as Google My Business and similar listing and directory services.

Your designated vendor may not create separate profiles on any of these sites but should work with us to gain access to manage them.

ITEM 12.
TERRITORY

Territory Definition and Office Location

Under your Franchise Agreement, we will grant you a defined territory ("your Territory") within which you will operate a single Franchised Business using the Marks and System from your Office, if any, at a location within your Territory that you will determine. We do not approve your Office location. Your Territory will be a fixed geographical area, defined by the borders of specified U.S. Postal Service zip codes as of the date that you sign the Franchise Agreement. We will list the zip codes in an attachment to your Franchise Agreement. Population within your Territory will be approximately 225,000 people (but no fewer than 220,000) when your Territory is established for the first purchaser of the Territory, based on the demographics provided by the U.S. Census Bureau. Depending on the configurations of, and populations within, zip codes, we may, in our sole judgment, grant a franchisee a protected territory with a population greater than 225,000. As described in Item 6 and this Item below, we may permit you to purchase additional zip codes for a fee.

Except as noted below, your Office must be within your Territory unless we give you a written waiver of this requirement. Your Office must be in commercial or retail space. You must ensure that we have your current Office address and telephone number at all times. You may locate and relocate your Office and/or Satellite Unit within your Territory without seeking our approval; however, you must give us 5 days advance written notice of any change in your Office's address and of closure of a Satellite Unit. In addition, if we notify you that, in our reasonable judgment, the condition or location of your Office materially damages the goodwill associated with the Marks, you must relocate within 60 days. All of these requirements also apply to Satellite Units. In addition, if you close a Satellite Unit, you must give us 5 days advance written notice. If you are signing an Expansion Agreement or renewal Franchise Agreement, you need not have an Office in your Territory if you have an Office in one of the contiguous territories (outside of the New York City Boroughs) you operate under other Franchise Agreements with us.

Territorial Protections

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

We do grant limited territorial protections, which apply only if you and your Related Parties are in good standing under the Franchise Agreement and other agreements with us. So long as you do not meet the Minimum Performance Standards you will not be in good standing. We have different territorial protections for homemaker/companionship and personal care services and for Personal Technology Services and Equipment, as described below.

Territorial Protection for Services Other than Personal Technology Services

For homemaker/companionship and personal care services and other services of the type we approve for you to offer (including PDN Services), subject to our reservation of rights described below, we will not compete with you by providing those services under the Marks to clients within your Territory or authorize any other franchisee or licensee to provide those services under the Marks to Clients within your Territory without your express written permission, except under any of the following conditions:

a. If, before you executed the Franchise Agreement, another Comfort Keepers® franchisee or company-owned Unit has been serving Clients in an area previously unassigned to any franchisee or any company-owned Unit ("Open Area") that now is within your Territory, we will, in the best interests of continuity of client care, permit that franchisee or company-owned Unit to continue to serve those Clients.

b. We may, in our sole judgment, permit another Comfort Keepers® franchisee to provide homemaker/companionship services, personal care services and/or other services (excluding Personal Technology Services) under the Marks to new Clients or existing Clients of yours in your Territory if (i) you have failed to respond to requests for those services by Clients or potential Clients in your Territory in violation of our service Standards in the Manual and (ii) we call your Franchised Business to advise of our intent to give service permission and you do not, within three hours after the call, provide evidence to our reasonable satisfaction, in accordance with the procedure outlined in the Manual, that you have satisfactorily resolved the issue of contacting the prospective or existing Client.

c. If for any reason (other than an unsafe or unhealthy environment for the caregiver, non-payment by the potential Client or care recipient of a requested deposit, or direct or indirect request by a potential Client or care recipient that you violate the law) you decline to serve a potential Client in your Territory, we may permit another franchisee or company-owned Unit to provide services. If you decline to provide services, you must immediately refer the potential Client to another franchisee in accordance with the requirements of the Manual and notify us that you have done so.

d. If you opt not to provide services under a Network Key Account Agreement where participation is non-mandatory, we may assign all Clients under a Network Key Account Agreement in your Territory to another franchisee, franchisees, and/or company-owned Unit(s), as we deem advisable. A "Network Key Account Agreement" is an agreement with a referral source that offers, on a local, statewide, national or regional basis, the opportunity for Franchisees in the applicable geographic area to provide any Services and/or Products to the referral source's members, affiliates, or, however designated, other persons who have a similar relationship with that referral source. The Network Key Account Agreement may, but need not, involve a prescribed discount or other special terms.

e. If you acquired the Franchised Business by transfer and the transferring franchisee had given another franchisee or company-owned Unit written permission to provide services to specific Clients in your Territory, that franchisee or company-owned Unit may continue thereafter to provide services (including Personal Technology Services and/or Equipment, regardless of

whether the Client is then a Subscriber) to Clients under signed Client Agreements at the time you meet the conditions to begin operations.

The territorial protections described above begin on the third business day after we have given you written notice that you have met all of the conditions to begin operations.

Territorial Protection for Personal Technology Services and the Sale and/or Lease of Equipment

Subject to our reservation of rights described below, we will not provide Personal Technology Services under the Marks in your Territory without your written permission. We will not authorize another franchisee to provide Personal Technology Services and/or sell or lease Equipment under the Marks in your Territory without your written permission, except under any of the following circumstances:

a. If a franchisee has been providing other approved services to a Client in an Open Area that now is within your Territory, so long as that franchisee provides services to Clients under the exception described above under paragraph b.(i.) with respect to other services, that franchisee may also market and provide Personal Technology Services and/or Equipment to that Client, regardless of whether that Client had received Personal Technology Services and/or bought or leased Equipment previously. If a franchisee has been providing only Personal Technology Services and/or Equipment to a Client in an Open Area, or if a franchisee had been providing other approved services to a Client in an Open Area but ceases to do so, that franchisee must transfer the Personal Technology Services and Equipment agreements for that Client to you.

b. If for any reason (other than an unsafe or unhealthy environment for the installer, non-payment by the potential Client of a requested deposit, or direct or indirect request by a potential Client that you violate the law) you decline to provide Personal Technology Services to a potential Client in your Territory, CKFI may permit another franchisee or company-owned Unit to provide Personal Technology Services and/or Equipment or CKFI may itself provide Technology Services and/or Equipment to the potential Client. If you decline to provide Personal Technology Services and/or Equipment, you must, in accordance with the procedure provided in the Manual, notify CKFI and provide all necessary contact information. This provision does not apply if you are providing personal technology services and/or equipment under other marks under the circumstances described in Item 16 of this disclosure document.

c. If you acquired the Franchised Business by transfer and the transferring franchisee had given another franchisee or company-owned Unit written permission to provide services to specific Clients in your Territory, that franchisee or company-owned Unit may continue thereafter to provide Personal Technology Services and/or Equipment, regardless of whether the Client is a Subscriber when you acquire the Franchised Business, to Clients under signed Client Agreements at the time you meet the conditions to begin operations.

The territorial protections described above begin on the third business day after CKFI has given you written notice that you have met all of the conditions to begin operations.

There are no other circumstances under which we will authorize another franchisee to provide services to Clients or sell and/or lease Equipment under the Marks in your Territory without your permission.

Reservation of Rights

Except as expressly described in the preceding paragraphs, we reserve, for ourselves, our related parties, and any affiliates, all rights in the Marks and System not expressly granted in the Franchise Agreement, including the right to offer and grant Comfort Keepers® franchises to others for any area that is not included within your Territory. We do not compete with Comfort Keepers® franchisees under a different name or marks, and we have no plans to do so in the future directly or through any CKFI affiliate. We, for ourselves, our related parties, and our affiliates, retain the following rights, among others, which we and/or they may exercise in any manner and on any terms and conditions that we and/or they deem advisable and without granting you any rights or interests in them:

a. To own, acquire, establish and/or operate, and license others to establish and operate, Franchised Businesses outside your Territory;

b. To own, acquire, establish, and/or operate systems (franchised and/or company-owned) under other proprietary marks, whether any such system is similar to or different from the System, at any location(s) within or outside your Territory and to use other channels of distribution (for example, the Internet, catalog sales, telemarketing, or other direct marketing) in connection with such system(s) and/or location(s);

c. To own, acquire, establish, and/or operate, and license others to establish and operate, businesses different from a Franchised Business but operated under the Marks within or outside your Territory, and to use other channels of distribution (for example, the Internet, catalog sales, telemarketing, or other direct marketing) in connection with such system(s) and/or location(s);

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

e. To sell or distribute, at retail or wholesale, directly or indirectly, via the Internet or any other means, or license others to sell or distribute, via any means (including other channels of distribution) any products (including Equipment) that bear any proprietary marks, including the Marks, whether within or outside your Territory.

We do not have to pay you if we exercise any of the rights specified above inside your Territory. Except as previously indicated, neither we nor any CKFI affiliate has any right to use other channels of distribution (for example, the Internet, telemarketing or other direct marketing) to provide services or make sales within your Territory under the Marks. Although we, our related parties, and our affiliates have the right to do so (as described above), we, our related parties, and our affiliates have not operated or franchised, and have no plans to operate or franchise, other businesses selling similar products or services under different trademarks in the United States,

other than the services provided in the shared dwellings operated under the mark "LifeSelect™ by Comfort Keepers®."

Territorial Restrictions on Your Activities

You may solicit referral sources without regard to their geographic location. You may not otherwise directly or indirectly market to, advertise to, or solicit to or for, Clients outside your Territory by any means (including other channels of distribution such as the Internet, telemarketing or other direct marketing), unless we give our written consent in the Manual or otherwise. We may withhold or withdraw our consent in our sole judgment. You may, however, advertise in a medium (such as a metropolitan area newspaper or radio and television advertising) that covers your Territory but also has some circulation outside your Territory, as provided in the Manual. You may sign a Client Agreement with, and/or provide services to, Clients, and you may lease and/or sell Equipment, outside your Territory only if you have the express written consent of the franchisee in whose territory you wish to do so or if you have our written consent. If you provide services to Clients or lease and/or sell Equipment outside of your Territory without the express written consent of the franchisee in whose territory you are providing services or selling Equipment, you will be in default. We will grant our consent, if we do so at all, only if you and your Related Parties are, and remain, in good standing under the Franchise Agreement and all other agreements with us.

We will be deemed to have granted our written consent (which we may withdraw in our sole judgment) to your soliciting, marketing, and advertising in, and to your providing services and/or leasing and/or selling technology products in, an Open Area if the following conditions are met:

a. You direct solicitations, marketing, and advertising only to the Open Area, and you can completely discontinue the solicitations, marketing, and/or advertising on 14 days' notice or less.

b. You agree that, when the Open Area (or any portion of it) is granted to another franchisee as part of its territory or we open a company-owned Unit that serves any portion or all of the Open Area:

i. You will cease accepting new Clients for services and/or for Equipment in any portion of the Open Area that is assigned as the territory of another franchisee or the company-owned Unit; and

ii. You will immediately take all steps necessary to completely discontinue any advertising for services or Equipment you have directed to Clients and prospective Clients in the Open Area.

If you begin directing any solicitation, marketing, and/or advertising to, providing services in, and/or selling or leasing Equipment in, an Open Area, you will be deemed to have agreed to the conditions listed above.

You must immediately stop directing advertising to and providing services and/or Equipment to Clients in an Open Area if we withdraw our consent to your doing so. We may

withdraw our consent for any reason or for no reason at all immediately upon written notice to you.

Modification of Territory

We periodically offer a program under which we offer franchisees the option to purchase additional zip codes to increase the size of their protected territories. The program works as follows: If there are one or more unassigned zip codes near your Territory and those zip codes, taken together, are, in our sole judgment, insufficient to form the basis for a Territory, we may sell one or more of these zip codes to you or conduct an auction of those zip codes among franchisees whose territories are adjacent to the zip codes. We have no obligation to do so, and we may decline to do so for any reason. We will not split a zip code. All of the geographic areas represented by the zip codes we sell to you must touch each other and at least one must touch your assigned Territory.

With respect to a direct sale of additional unassigned zip codes, the current additional zip code fee is $300 per 1,000 residents in the applicable zip code(s) (population determined using our then-current methodology for assigning Territories), but we may increase that fee at any time and/or discontinue the program of offering additional zip codes. With respect to an auction for additional unassigned zip codes, the current minimum bid is $100 per 1,000 residents in the applicable zip code(s) (population determined using our then-current methodology for assigning Territories), but we may increase that minimum bid at any time and/or discontinue the program of auctioning additional zip codes. We may decline for any reason to sell or auction additional zip codes. To be eligible to buy or participate in an auction for additional zip codes, you must, among other things, be in good standing under all of your Franchise Agreements.

In addition, if you are in good standing, upon your request and for no additional initial franchise fee, we may, in our sole discretion, permit you to swap your existing Territory with a fixed geographical area, defined by the borders of specified U.S. Postal Service zip codes, provided that the new territory: (1) has at least one zip code contiguous to your existing Territory; (2) has a population approximately equal to the population of your existing Territory (population determined using our then-current methodology for assigning Territories); and (3) has not been granted to another franchisee. If the territory you are acquiring has a population more than 5,000 over the territory you are swapping out, there will be a fee of $300 per 1,000 population above the allowed variance of 5,000.

Other than complying with MPS, you need not meet any particular level of sales volume, market penetration, or other criteria to maintain your Territory. Except as described in the preceding paragraphs, we may not modify your Territory.

General

We do not offer options, rights of first refusal, or similar rights to acquire additional franchises within a franchisee's territory or in contiguous territories. We may consider granting you the right to operate one or more additional Franchised Businesses, under one or more additional Franchise Agreements, if you and your Related Parties are in compliance with all

existing Franchise Agreements and other agreements with us and with the Operations Manual, but we have no obligation to do so.

ITEM 13.
TRADEMARKS

In operating your Franchised Business, you may use the Marks we approve. In addition to other registered trademarks, we own the following principal trademarks that have been registered with the United States Patent and Trademark Office ("USPTO") on the Principal Register, and all required affidavits of continued use have been filed and accepted:

MARK	SERIAL NUMBER	REGISTRATION NUMBER	REGISTRATION DATE	REGISTER OF THE UNITED STATES PATENT AND TRADEMARK OFFICE
"COMFORT KEEPERS"	75668630	2,366,096	July 11, 2000	Principal
	75656394	2,335,434	March 28, 2000	Principal
	86837300	5,002,793	July 19, 2016	Principal

There are no currently effective determinations of the USPTO, the trademark administrator of any state, or any court, or any pending interference, opposition or cancellation proceeding, or any pending material litigation involving the Marks. We are not aware of any infringing uses or any superior prior rights that could materially affect your use of the Marks in any state.

No agreements limit our rights to use or license the use of the Marks.

You may use the Marks only in the operation of your Franchised Business and only in the manner and for the purposes we permit or specify in the Manual or otherwise. You may not use any other trade name or marks in connection with your Franchised Business. You may not use any portion of the Marks or the letters "CK" as part of your corporate, partnership, or limited liability company name in connection with your Franchised Business or any other business you may operate. You may not file a trade name designation or register any domain name, social media

site, or blog or use any e-mail address that uses any part of the Marks or the letters "CK." You must conspicuously identify yourself on a sign in your Office and on all advertising, stationery, business forms, and other documents you use, as a franchisee operating an independent business, using the identification we specify in the Manual.

You must notify us in writing within 5 days if you become aware of any apparent infringement of the Marks or System and of any claim by any person or entity of any claim to any Mark, but we have no obligation to take affirmative action when notified of any such apparent infringement or claim. You must also notify us in writing promptly if you become aware of any adverse publicity relating to you, your Franchised Business, or any other person or entity that might damage the goodwill associated with the Marks. You must advise us in writing within 5 days of any claim, demand, or suit against you or against your principals based upon or arising in connection with your use of the Marks or System.

Except as we otherwise permit in writing, you must not directly or indirectly communicate with any person other than your attorney (if a claim is brought against you) and CKFI and its counsel in connection with any such infringement, challenge or claim. CKFI has the sole right to determine whether any action should be taken, and, if any action is taken, CKFI has the right to direct and control any such action, including the conduct of an administrative proceeding or litigation or other adjudicative proceeding involving the Marks, as well as any settlement of any such proceeding or litigation. You have no right, independent of CKFI, to make any demand against any such user or challenger or to prosecute any claim of any kind or nature whatsoever relating to the Marks. You must execute any and all instruments and documents, render such assistance, and do all acts that may, in the opinion of CKFI's counsel, be necessary or advisable to protect and maintain the interests of CKFI and its affiliates in any such litigation or administrative proceedings, or to otherwise protect and maintain the interest of CKFI and/or its affiliates in the Marks.

We will indemnify and hold you harmless from all expenses and liabilities that you incur in any trademark infringement proceeding disputing your authorized use of any Mark in strict accordance with the Franchise Agreement, if you have timely notified us of the proceeding and comply with the other requirements described in this paragraph. If you are made a party to a legal proceeding in any such alleged infringement, we will defend you at our expense, if you have timely notified us of the proceeding and if you have complied with the other requirement described in this paragraph.

We have invested substantial time, energy, and money in the promotion and protection of the Marks as they currently exist. We have no present intention of altering them. However, we recognize that rights in intangible property such as the Marks are often difficult to establish and defend. Changes in the cultural and economic environment within which the Network operates or third-party challenges to our rights in the Marks may make changes in the Marks desirable or necessary. We therefore reserve the right to change the Marks and the specifications for each when we believe that these changes will benefit the System. You agree that you will promptly conform, at your own expense, to any such changes. We need not reimburse you for any loss of revenue due to any modified or discontinued Mark or for your expenses in promoting a modified or substitute trademark or service mark.

ITEM 14.
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

We hold no patents. We claim copyrights for our advertising materials, the Manual, forms, sales, training, and management materials, other materials we create, and all advertising materials bearing the Marks, regardless of author. We have not registered these copyrights with the United States Registrar of Copyrights, but we need not do so at this time to protect them. Your right to use the copyrighted materials derives solely from the Franchise Agreement and is limited to your conduct of business in accordance with the Franchise Agreement and all applicable Standards that we prescribe.

There are currently no effective determinations of the U.S. Copyright Office or any court regarding any of the copyrights. There are no agreements currently in effect that significantly limit our rights to use or franchise the copyrighted materials. As of the date of this disclosure document, there are no superior prior rights or infringing uses actually known to us that could materially affect your use of the copyrighted materials in any state.

You must notify us in writing within 5 days of any unauthorized use or disclosure of proprietary information, copyrighted material, and/or other intellectual property (collectively, "Intellectual Property") belonging to us and of any claim by any person or entity to any rights in any proprietary information, copyright, or other intellectual property belonging to us. Except as we otherwise permit in writing, you must not directly or indirectly communicate with any person other than your attorney (if a claim is brought against you) and us and our counsel in connection with any claim of rights in our Intellectual Property. We have the sole right to determine whether any legal action should be taken, and, if any action is taken, we have the right to direct and control any such action, including the conduct of an administrative proceeding or litigation or other adjudicative proceeding involving any of our Intellectual Property, as well as any settlement of any such proceeding or litigation. You have no right, independent of us, to make any demand against any such user or challenger or to prosecute any claim of any kind or nature whatsoever relating to the Intellectual Property.

You must execute any and all instruments and documents, render such assistance, and do all acts that may, in the opinion of our counsel, be necessary or advisable to protect and maintain the interests of CKFI and its affiliates in any such litigation or administrative proceedings, or to otherwise protect and maintain the interest of CKFI and/or its affiliates in the Intellectual Property. We need not protect or defend copyrights or other Intellectual Property, although we intend to do so if it is in the Network's best interests. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright or other Intellectual Property.

Any addition, modification, adaptation, improvement, refinement, invention, or innovation that you, any of your Related Parties, and/or any of your employees makes or suggests related to the System, the Network, the Manual, or other confidential information relating to any Franchised Business ("Improvements") will become our sole and exclusive property, regardless of your or their participation in developing the Improvement. All Improvements will be deemed works-made-for-hire for us, will be deemed assigned to us, and may, at our option, become part of the

System. You will, and you will cause your employees and Related Parties to, execute any instruments and documents we request and give us assistance to perfect or protect all of our intellectual property rights in any Improvement, without compensation for the use or licensing of any Improvement.

Confidential Information

We consider the Manual to be confidential. Our confidential information also includes other materials, procedures, techniques, and plans we provide to you for the operation of your Franchised Business, as well as any password and/or electronic key or other device necessary to access other confidential information and/or the CK Intranet. All information relating to Clients of your Franchised Business (including name, contact information, care needs, services provided, Equipment leased or purchased, payment history, and relationship history) belongs to us as part of the goodwill associated with the Marks and is part of our confidential information. You may not at any time during or after the term of the Franchise Agreement or any renewal Franchise Agreement reveal any of our confidential information to any person or use it for any purpose except those permitted under the Franchise Agreement. You may not copy any of our confidential information or give it to any third party except as we permit in writing.

You must take reasonable steps to prevent misuse or disclosure of our confidential information. All of your Related Parties, officers, directors, and principal managers must sign a non-disclosure and non-competition agreement in the form of Exhibit D-3 to this disclosure document or in the form that we require at the time they become associated with you. Your Designated Manager and all of your employees who will have access to our confidential information must sign a confidentiality agreement in the form that we require at the time they become associated with you. You must send a copy of the signed agreement to us within 10 days after it is signed. You must turn over to us all copies of the confidential information when you cease to be a franchisee. "Related Parties" means each of your owners, all persons holding a direct or indirect beneficial interest in you (if you are an entity), and the spouse of any owner or of any person holding a direct or indirect beneficial interest in you.

Please see the discussion above under "Patents and Copyrights" regarding your obligations and CKFI's rights with respect to claims involving confidential information.

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

In order to meet Standards for client care and service, you must have at least two full-time employees (or equivalent) to open and operate your Franchised Business, as specified in the Manual. Your Franchised Business must be supervised by an individual (who can be you) who has completed the initial training program to our reasonable satisfaction. You may have a Designated Manager. You and your business partner or Designated Manager must devote all of your, his, or her productive time and effort to the management and operation of the Franchised Business and to the promotion of the services we authorize you to offer. Each Office you operate must be supervised by an individual (who can be you) who has completed the initial training program to our reasonable satisfaction. You may have a Designated Manager for each Office, but

you (if you are an individual) or an individual with an ownership interest in you must provide overall supervision of all Franchised Businesses you own. Your Designated Manager, if any, and any successor Designated Manager, must complete the initial training program to our reasonable satisfaction but need not have any equity interest in you if you are an entity.

Your Designated Manager, if any, must sign a nondisclosure agreement in the form that we require at the time you employ the Designated Manager. You must send a copy of the signed agreement to us within 10 days after it is signed.

If you are a business entity, each of your owners with at least a 10% ownership interest in you must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the confidentiality obligations and covenants not to compete.

ITEM 16.
RESTRICTIONS ON WHAT YOU MAY SELL

Except as noted below, you must offer your Clients homemaker/companionship services, personal care services, and, unless we specify otherwise, all other services and products that we authorize you to offer. In addition, if you choose to offer Personal Technology Services and Equipment, you must offer those services and that equipment under the SafetyChoice® mark. You may offer only those services and products that we authorize you to provide. As we continue to develop the System, we may change the types of services that you may offer and/or that you must offer. There is no contractual limit on our right to change the types of authorized services or required services.

Please see Item 12 of this disclosure document for geographic limitations on the clients you may serve.

ITEM 17.
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Length of the franchise term	4.4.1	10 years
b. Renewal or extension of the term	4.4.2	If you meet conditions, you can renew for consecutive additional 10-year terms

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
c. Requirements for franchisee to renew or extend	4.4.2	Sign new Franchise Agreement (including guaranty and non-compete), be in good standing and have been substantially in good standing throughout term, comply with training requirements, give 120 days' notice, sign release, and pay renewal fee. The new Franchise Agreement may contain terms and conditions materially different from those in your previous Franchise Agreement, such as different or higher fees, but your Territory will not change unless requested by you and agreed to by us.
d. Termination by franchisee	11.2	You may terminate the Franchise Agreement if we fail to take reasonable steps to attempt to cure a material breach of the Franchise Agreement on 60 days' written notice to cure the default. Termination will be valid only if you meet in full the conditions of the section of the Franchise Agreement entitled "Rights and Obligations Upon Termination" within the specified time periods. (subject to state law)
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	11.1	We may terminate upon your default.
g. "Cause" defined - curable defaults	11.1.2	You have 5 days to cure payment defaults, failure to have required insurance or failure to obtain or lose a license; you have 30 days to cure other defaults that can be cured, including failure to provide confidentiality and non-compete agreements from employees, failure to complete training, failure to offer all required services or offering any non-approved services, failure to provide replacement guarantor, failure to obtain required background checks on employees, failure to meet any other material obligation; failure to obtain or maintain any license or permit required by any government agency in connection with a Core Service when you continue to offer such services; remaining in default beyond the applicable cure period, if any, under any agreement with a vendor or supplier; (See State Specific Disclosures in Exhibit A) you have 10 days to cure when an acceptable required substitute guarantor does not execute a Guaranty.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
h. "Cause" defined - non-curable defaults	11.1.2	Noncurable defaults include conviction of felony, identification as a Specially Designated National or Blocked Person, posing a threat to health or safety, misrepresentation in securing franchise, falsification of records, abandonment, repeated defaults, misuse of the Marks, unapproved transfer, insolvency, more than once serving clients in another franchisee's territory without that franchisee's permission, competition with us or other Comfort Keepers® franchisees, termination for default of another franchise or other agreement you have with us and violation of in-term confidentiality covenants.
i. Franchisee's obligations on termination/non-renewal	11.3	Obligations include, but are not limited to, cooperating with CKFI in transition of Clients to other franchisees or other providers, complying with non-compete obligations, providing final accounting, paying all amounts due, discontinuing use of the Marks and Client information, returning all of our manuals and other property (including Client information), assigning phone numbers, domain names and social media names to us, and refraining for 12 months from transferring assets of Franchised Business to Competitive Business
j. Assignment of contract by franchisor	10.9	May assign to person/entity that assumes obligations under your Franchise Agreement
k. "Transfer" by franchisee – defined	3.86	Includes transfer of Franchise Agreement, assets, or ownership change, or creation of lien on the assets
l. Franchisor approval of transfer by franchisee	10.1	We have the right to approve all transfers
m. Conditions for franchisor approval of transfer	10.1-10.4	Transferee qualifies, all your debts to us are paid, all defaults under the Manual and any agreements with us, our affiliates or related parties are cured, transfer fee paid (if applicable), purchase agreement approved, training undertaken, release signed by you and your Related Parties, transferee signs current Franchise Agreement and related agreements
n. Franchisor's right of first refusal to acquire franchisee's business	10.7	We have right to match any offer to buy your business or controlling interest in you
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p. Death or disability of franchisee	10.6	Heirs must qualify; if not, they have 120 days to sell
q. Non-competition covenants during the term of the franchise	7.11 and Exhibit D-3	No involvement in any competing or related business and no diversion of prospective Clients to a competing business

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated or expires	7.11 and Exhibit D-3	For 2 years following the termination or expiration of your Franchise Agreement, (a) no involvement in competing business within your previous Comfort Keepers® territory (or within 10 miles of it), within 10 miles of the protected territory under any other Franchise Agreement then in effect, or within 10 miles of the territory agreed upon in connection with a deposit agreement that had been signed at the time of termination or expiration, and (b) no solicitation of business of former Clients or of referrals from referral sources you used during the term of the Franchise Agreement.
s. Modification of the agreement	12.4	Except where Franchise Agreement permits otherwise, modification only by written agreement of parties; Manual may change
t. Integration/merger clause	12.6	Only the terms of Franchise Agreement (including its attachments and the Manual) are binding (subject to state law); all prior or contemporaneous agreements are superseded. Any statements or promises not in Franchise Agreement or this disclosure document should not be relied upon and may not be enforceable.
u. Dispute resolution by arbitration or mediation	12.7, 12.8, and NBF Addendum	All disputes must be mediated and arbitrated in Irvine, California, except that CKFI may bring court action for claims relating to: payment of amounts due CKFI under the Franchise Agreement, and Brand Fund contributions, the Marks, Confidential Information, insurance or indemnification, violation of non-compete covenants, and unauthorized transfer (see State-Specific Disclosures in Exhibit A).
v. Choice of forum	12.7, 12.8, and 12.10	Where CKFI's headquarters is located when the action is brought, which currently is Irvine, California (see State-Specific Disclosures in Exhibit A)
w. Choice of law	12.2	Ohio, with certain exceptions (see State-Specific Disclosures in Exhibit A)

ITEM 18.
PUBLIC FIGURES

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

ITEM 19.
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or 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.

The table below is a historical financial performance representation, based on revenue reported by franchisees; we have not included in the table the revenues or expense information for the Franchised Businesses we operate on behalf of our affiliate, SDX. For purposes of the table below, "net revenue" means that revenue on which a franchisee pays royalty fees (but which is, in the Franchise Agreement, called "Gross Revenue"), that is, the total amount of money the franchisee and its owners receive for all goods sold and services rendered in connection with the Marks, and all other income of any kind derived directly or indirectly in connection with the operation of a Franchised Business, including Client deposits and payments for mileage charges but excluding sales tax and Client refunds.

The table shows information relating to all Franchised Businesses operating on August 31, 2022 that had been operating for at least one year and reported revenue for every month during the period September 1, 2021 through August 31, 2022 ("Reporting Period"). The table shows net revenue achieved during the Reporting Period by Franchised Businesses that had been operating the specified number of months. The last line in the table shows information relating to net revenue for the Reporting Period for all of the Franchised Businesses included in the table.

We used the Start Date for a Franchised Business as the date its operations began. Under a Start-up Agreement, the Start Date is the last day of the month following the month in which all of those persons designated in the Franchise Agreement: (1) successfully complete, as determined by us in our sole discretion, the initial training program; or (2) are required to complete the initial training program (60 days after the effective date of the Franchise Agreement), whichever is earlier. Under an Expansion Agreement executed before January 1, 2007, the Start Date is the date of execution of the Expansion Agreement. Under an Expansion Agreement executed January 1, 2007 or after, the Start Date is 60 days after the date of execution of the Expansion Agreement.

For purposes of the net revenue shown in the table, we used the Gross Revenue figures from royalty reports the franchisees filed with us; these revenues are reported on a cash basis. While we have not audited this information or independently confirmed the royalty reports, we have no reason to believe that any franchisee would overstate its revenues to us.

Number of Months in Operation (1)	Total # of Franchised Businesses (2)	Average Net Revenue	Number and Percentage of Franchised Businesses Meeting or Exceeding Average	Median Net Revenue	Highest Franchised Business Net Revenue	Lowest Franchised Business Net Revenue
73 or More	475	$1,089,394	156/33%	$733,754	$12,880,545	$30,743
61 to 72	16	$782,912	5/31%	$672,157	$2,060,401	$120,166
49 to 60	22	$592,971	6/55%	$735,739	$1,027,387	$16,988
37 to 48	6	$347,474	2/33%	$293,394	$924,024	$5,450
25 to 36	13	$386,762	4/31%	$214,135	$1,129,999	$62,909
12 to 24	8	$206,147	4/31%	$187,233	$483,257	$7,238
All Franchised Businesses Open One Year or More Ending August 31, 2022	529	$1,030,763	177/33%	$702,394	$12,880,545	$5,450

Notes to Table:

(1) Franchised Businesses operating 73 or more months had Start Dates before August 31, 2016. Franchised Businesses operating 61 to 72 months had Start Dates between September 1, 2016 and August 31, 2017. Franchised Businesses in each subsequent descending tier of months shown in this table had Start Dates one year later than those in the preceding tier.

(2) We have excluded the Franchised Businesses we manage on behalf of SDX because those Franchised Businesses have a different management structure for their operations than that typically used by franchisees (for example, use of CKFI as a management company, and use of general managers for regions). The total number of non-SDX Franchised Businesses that had been operating at least 12 months at August 31, 2022 is 530. The number in this column represents all non-SDX Franchised Businesses that reported revenue for every month during the Reporting Period and that had been operating for at least 12 months at August 31, 2022. The table excludes 24 Franchised Businesses that closed during the Reporting Period and 1 Franchised Businesses that reported no revenue or did not file a royalty report for one or more months during the Reporting Period. Each of the Franchised Businesses included in the table provided the

homemaker/companionship services and personal care services that you must provide under the Franchise Agreement and most provided Personal Technology Services and Equipment under the SafetyChoice® program. 199 non-SDX Franchised Businesses offered PDN Services during some or all of the Reporting Period.

We will make available to you upon reasonable request written substantiation of the information contained in the table above.

The financial performance representations in the table do not reflect the costs of sales, and none of the financial performance representations in the table reflect all of the operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. The net revenue and net profit of your Franchised Business will depend on many factors, including the prices you charge for services and products, labor costs and general economic conditions in your area, your ability to network and generate Clients, and competition from other similar businesses in your area. You should conduct an independent investigation of the costs and expenses you will incur in operating your Franchised Business. Franchisees or former franchisees listed in the disclosure document may be one source of this information.

SOME FRANCHISED BUSINESSES HAVE EARNED THIS AMOUNT. YOUR INDIVIDUAL RESULTS MAY DIFFER. THERE IS NO ASSURANCE THAT YOU'LL EARN AS MUCH.

Other than the preceding financial performance representations, CKFI does 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 Ramzi Abdine, Chief Executive Officer, 1 Park Plaza, Suite 300, Irvine, California, (949) 988-6655, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2020 to 2022 (1) (2)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	573	562	-11
	2021	562	554	-8
	2022	554	535	-19
Company Owned	2020	86	100	14
	2021	100	108	8
	2022	108	105	-3
Total	2020	659	662	3
	2021	662	662	0
	2022	662	640	-22

Table No. 2

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

State	Year	Number of Transfers
CA	2020	0
	2021	0
	2022	9
CO	2020	0
	2021	7
	2022	0
FL	2020	0
	2021	0
	2022	3
GA	2020	0
	2021	0
	2022	4

State	Year	Number of Transfers
ID	2020	1
	2021	0
	2022	0
IL	2020	5
	2021	3
	2022	0
IN	2020	0
	2021	0
	2022	1
MA	2020	1
	2021	3
	2022	0
MD	2020	4
	2021	2
	2022	6
ME	2020	0
	2021	0
	2022	2
MI	2020	0
	2021	3
	2022	2
MN	2020	0
	2021	1
	2022	0
MO	2020	0
	2021	0
	2022	1
MT	2020	0
	2021	1
	2022	0
NC	2020	2
	2021	0
	2022	0
NJ	2020	3
	2021	0
	2022	0
NM	2020	0
	2021	2
	2022	2

State	Year	Number of Transfers
OH	2020	2
	2021	7
	2022	0
OR	2020	3
	2021	0
	2022	3
PA	2020	1
	2021	3
	2022	7
TN	2020	0
	2021	0
	2022	1
TX	2020	2
	2021	0
	2022	1
VA	2020	9
	2021	0
	2022	0
WA	2020	0
	2021	2
	2022	3
WI	2020	0
	2021	1
	2022	0
Total	2020	33
	2021	35
	2022	45

Table No. 3

Status of Franchised Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Open	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
AL	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	1	6
AR	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	1	1
AZ	2020	13	0	0	0	0	0	13
	2021	13	1	0	0	0	0	14
	2022	14	0	0	0	0	1	13
CA	2020	65	0	0	0	0	0	65
	2021	65	0	0	1	0	0	64
	2022	64	0	0	0	0	1	63
CO	2020	11	2	0	0	0	0	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
CT	2020	11	1	0	0	0	0	12
	2021	12	0	0	0	0	0	12
	2022	12	1	0	0	0	2	11
DE	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
FL	2020	45	0	1	0	3	1	40
	2021	40	0	0	0	0	0	40
	2022	40	0	0	0	0	0	40
GA	2020	17	0	0	0	0	3	14
	2021	14	1	0	0	0	0	15
	2022	15	0	0	0	0	0	15

State	Year	Outlets at Start of Year	Outlets Open	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
IA	2020	6	0	0	1	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	1	4
ID	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	3	1
IL	2020	29	0	0	0	0	0	29
	2021	29	0	0	0	0	1	28
	2022	28	1	0	1	0	2	26
IN	2020	20	0	0	0	0	0	20
	2021	20	0	0	0	0	0	20
	2022	20	0	0	0	0	0	20
KS	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	2	0
KY	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
LA	2020	3	0	0	0	0	3	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
MA	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	2	0	0	0	0	8
MD	2020	13	4	0	0	0	0	17
	2021	17	2	0	0	0	2	17
	2022	17	0	0	0	0	0	17
ME	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Open	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
MI	2020	28	0	0	0	0	0	28
	2021	28	0	0	0	0	5	23
	2022	23	0	0	0	0	0	23
MN	2020	8	2	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	1	0	0	0	0	11
MO	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	2	1
MS	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
MT	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NC	2020	18	0	0	0	0	0	18
	2021	18	2	0	0	0	2	18
	2022	18	0	0	0	0	0	18
ND	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
NE	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
NH	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
NJ	2020	28	0	0	0	0	0	28
	2021	28	0	0	0	0	0	28
	2022	28	0	0	0	0	0	28

State	Year	Outlets at Start of Year	Outlets Open	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
NM	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
NV	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
NY	2020	15	0	0	0	0	0	15
	2021	15	0	0	0	0	0	15
	2022	15	0	0	1	0	1	12
OH	2020	29	0	0	0	0	0	29
	2021	29	0	0	0	4	0	25
	2021	25	0	0	0	0	0	25
OR	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
PA	2020	44	1	0	0	0	1	44
	2021	44	0	0	0	0	0	44
	2022	44	0	0	0	0	0	44
SC	2020	13	0	0	0	0	0	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
SD	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
TN	2020	14	0	0	0	0	1	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
TX	2020	36	2	0	0	0	4	34
	2021	34	1	0	0	0	0	35
	2022	35	0	0	0	0	5	30

State	Year	Outlets at Start of Year	Outlets Open	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
VA	2020	16	0	0	0	0	2	14
	2021	14	0	0	0	0	0	14
	2022	14	0	0	0	0	0	14
WA	2020	9	1	0	2	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
WI	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
WV	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Total	2020	573	13	1	3	3	17	562
	2021	562	7	0	1	4	10	554
	2022	554	5	0	2	0	22	535

Table No. 4
Status of Company-Owned Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of the Year	Outlets Open	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
AK	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
AZ	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
AR	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
CA	2020	24	1	0	0	0	25
	2021	25	0	0	0	0	25

State	Year	Outlets at Start of the Year	Outlets Open	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2022	25	0	0	0	0	25
FL	2020	14	0	3	0	0	17
	2021	17	0	0	0	0	17
	2022	17	1	0	0	0	18
GA	2020	3	2	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	1	0	4
ID	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	2	0	0	0	2
KS	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	1	0	0	0	4
KY	2020	0	2	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
LA	2020	2	2	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
MD	2020	0	0	0	0	0	0
	2021	0	2	0	0	0	2
	2022	2	0	0	0	0	2
NC	2020	0	0	0	0	0	0
	2021	0	2	0	0	0	2
	2022	2	0	0	0	0	2
NY	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
OH	2020	7	0	0	0	0	7
	2021	7	0	4	0	0	11
	2022	11	0	0	0	0	11
OK	2020	7	2	0	0	0	9

State	Year	Outlets at Start of the Year	Outlets Open	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
PA	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
RI	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
TN	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
TX	2020	1	2	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	1	0	2
UT	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	3	0	0
VA	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	1	0	1
WI	2020	10	0	0	0	0	10
	2021	10	0	0	0	0	10
	2022	10	0	0	0	0	10
Total	2020	86	11	3	0	0	100
	2021	100	4	4	0	0	108
	2022	108	4	0	7	0	105

(1) The numbers for 2020-2022 are as of the end of CKFI's fiscal year (August 31 of each year).

(2) CKFI does not own any outlets. As of the end of our last fiscal year, our affiliate, SDX Home Care Operations, L.L.C., owned, under franchise agreements with us, 105 Comfort Keepers® businesses. For purposes of this Item 20, those units are considered "Company-Owned Outlets."

Table No. 5
Projected Openings as of August 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Arizona	0	1	0
California	0	0	1
Colorado	0	1	0
Florida	1	1	0
New York	0	0	1
Oklahoma	0	0	1
Pennsylvania	1	0	0
Rhode Island	0	0	1
Texas	0	2	0
Virginia	1	0	0
Total	3	5	4

Attached to this disclosure document as Exhibit I-1 is a list of the names of all current franchisees with the addresses and phone numbers of each of their Franchised Businesses as of August 31, 2022. Some franchisees may operate more than one Franchised Business from a single Facility; in that case, the number of Franchised Businesses the franchisee operates from that Facility and in that state is listed after his or her name. Franchisees who signed a Franchise Agreement in fiscal year 2022 but whose Franchised Businesses had not yet opened as of fiscal year end are listed separately at the end of Exhibit I-1.

Attached to this disclosure document as Exhibit I-2 is a list of the name, city, state and current business telephone number (or if unknown, the last known home telephone number) of each franchisee who had an outlet terminated, cancelled, transferred, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under its franchise agreement during the last fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. Of the 69 franchisees, 45 transferred their franchises, 19 franchisees were terminated, 2 were a non-renewal by the franchisee, 0 left the franchise system for other reasons and 3 were reacquired by Franchisor. If a given franchisee had more than one Franchised Business leave the system, the number is listed after the franchisee's name. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly with you about their experience with the Comfort Keepers® system. You may want to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We sponsor the NAC (currently comprising 15 franchisees and three company representatives) but its franchisee members are elected by franchisees. The NAC does not have an e-mail address. Its mailing address is NAC Chairman, c/o CK Franchising, Inc., 1 Park Plaza, Suite 300, Irvine, CA 92614. We will forward all mail so addressed to the then-current NAC Chairman.

We have a referral program for franchisees, their employees, and our employees, subject to certain qualifications. If any of them refers a qualified candidate who executes a Franchise Agreement, we will pay the referring person $5,000, subject to his or her meeting our qualifications. We may cancel or modify this referral program at any time.

ITEM 21.
FINANCIAL STATEMENTS

Exhibit C to this disclosure document contains our combined audited financial statements for the years ended August 31, 2022, 2021 and 2020, and our unaudited financial statements for the period September 1, 2022 through July 31, 2023.

ITEM 22.
CONTRACTS

The following agreements are proposed for use in this state:

Exhibit D-1: Franchise Deposit Agreement
Exhibit D-2: Franchise Agreement, which includes the following separate agreements among its attachments:
- Attachment 2: Authorization Agreement for Prearranged Payment via EFT
- Attachment 3: Conditional Assignment
- Attachment 4: Agreement and Guaranty of Related Parties
- Attachment 5: Consent to Record
- Attachment 6: National Brand Fund Addendum

Exhibit D-3: Confidentiality Agreement and Ancillary Covenants Not to Compete
Exhibit D-4: Additional Services Addendum
Exhibit D-5: Private Duty Nursing Services Addendum
Exhibit D-6: HIPAA Business Associate Agreement
Exhibit D-7: Franchise Acquisition Incentive Amendment
Exhibit D-8: Franchise Acquisition Incentive Amendment for Independent Business
Exhibit D-9: Franchise Agreement Amendment Required for Licensure in the State of New York
Exhibit D-10: Franchisee Acknowledgment
Exhibit F: Promissory Note
Exhibit J: Current Form of General Release

ITEM 23.
RECEIPT

Attached as the last page of this disclosure document (Exhibit L) is a Receipt. Please sign it and return it to us. A duplicate of the Receipt is also attached for your records.

EXHIBIT A

STATE-SPECIFIC DISCLOSURES

CALIFORNIA

Neither the franchisor, nor any person or franchise broker identified in Item 2 of this 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 the person from membership in the association or exchange.

California Business and Professions Code §§ 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law and the law applies, the law will control.

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

The franchise agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Section 31125 of the California Corporations Code requires the franchisor to give the franchisee a special disclosure document before soliciting a proposed material modification of an existing franchise.

The franchise agreement requires the application of the laws of Ohio. This provision may be unenforceable under California law.

The franchise agreement requires binding arbitration. The arbitration will occur in Irvine, California, with the costs being borne by the losing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement restricting venue to a forum outside the State of California.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT COPIES OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

Our website URLs are www.comfortkeepers.com and www.comfortkeepersfranchise.com. OUR WEBSITES HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THOSE WEBSITES THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dbo.ca.gov.

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 by any franchisor, franchise seller, or other person

acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS

Many states have statutes concerning the relationship between franchisor and franchisee. These statutes deal with such matters as renewal and termination of franchises. Provisions of this sort will prevail over inconsistent terms in a franchise agreement. Illinois has such a statute (815 ILCS 705/19 and 705/20).

The Franchise Agreement provides for termination upon bankruptcy except as required under federal bankruptcy law. A provision in a franchise agreement that terminates the franchise upon bankruptcy of the franchisee may not be enforceable under Title 11, U.S. Code Section 101.

The following is added to Item 17 of the disclosure document:

> In accordance with Illinois law, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action that is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois. In addition, Illinois law will govern the Franchise Agreement with respect to claims arising under the Illinois Franchise Disclosure Act or any related Illinois statute or regulation.

The Summary column of Item 17g of the disclosure document shall be amended to read as follows: "You have 10 days to cure payment defaults or failure to have required insurance; you have 30 days to cure other defaults that can be cured."

The Franchise Agreement requires that an arbitration claim be filed within one year after the event complained of occurs. In accordance with Illinois law, this provision is deleted and the related clause is amended to state “files an arbitration before the expiration of the later of one year after the date of discovery of the facts relating to the controversy or three years after the date of the first act or omission giving rise to the controversy.”

The Franchise Agreement requires you to sign a general release of claims as a condition of renewing or transferring the franchise. Insofar as the Franchise Agreement requires you to waive your rights under the Illinois franchise law, these requirements are deleted from the Franchise

Agreement. This provision will not prevent us from requiring you to sign a general release of claims as part of a negotiated settlement of a dispute.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

INDIANA

The Franchise Agreement requires binding arbitration. The arbitration will occur in a state other than Indiana, with costs being borne by the non-prevailing party. To the extent Indiana law applies, the provision concerning the place where arbitration will occur is deleted from the Indiana Franchise Agreement.

The Franchise Agreement requires application of the laws of another state. To the extent Indiana law applies, this provision is deleted from the Indiana Franchise Agreement.

In Item 17 of the disclosure document, the Summary columns of Sections (u), (v) and (w) are amended to omit any reference to selection of an out-of-Indiana forum or choice of law.

The Franchise Agreement requires you to sign a general release of claims as a condition of renewing or transferring the franchise. Under the law of Indiana any provision that purports to bind a person acquiring a franchisee to waive compliance with the franchise laws of Indiana is void. In Item 17 of the disclosure document, the Summary columns of Sections (c) and (m) are amended to omit the requirement that an Indiana Franchisee sign a general release of claims as a condition of renewal or transfer. This will not prevent us from requiring you to sign a general release of claims as part of a settlement of a dispute or from requiring you, upon renewal or transfer of the Franchise Agreement, to sign a release of claims other than those under the franchise laws of Indiana.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND

Item 17, under the Summary column of parts (c), (j) and (m), is amended to include the following paragraph:

A general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law ("the Maryland Franchise Law").

Item 17, under the Summary column of part (h), is amended to include the following sentence:

A provision in the Franchise Agreement that provides for termination on your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

Item 17, under the Summary column of part (v), is modified by to include the words ", except you may sue in Maryland for any claims arising under the Maryland Franchise Law."

Item 17 is amended to state that any claims arising under the Maryland Franchise Law must be brought within 3 years after the grant of the franchise.

Section 14-226 of the Maryland Franchise Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. The Franchise Agreement requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law. Such representations are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law resulting from the offer or sale of the franchise.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, requiring you to consent to liquidated damages, termination penalties, or judgment notes, or requiring you to consent to the issuance of an injunction. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. This provision will prevail over a contrary provision in the franchise agreement.

Minnesota Statutes, Section 80C.17, Subd. 5, provides for a three-year limitation of claims period for claims arising under the Minnesota franchise laws. This provision will prevail over a contrary provision in the franchise agreement.

1. The following language is added to Item 13 of the Minnesota disclosure document:

We will protect your right to use the Marks or will indemnify you against any loss, costs or expenses arising out of any claim, suit or demand regarding your use of the Marks.

2. The Franchise Agreement states the cure periods for various types of defaults that may lead to termination or non-renewal. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.

3. The Franchise Agreement provides that we may require you to sign a general release of claims as a condition of renewal or transfer of your franchise. Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release of claims arising under Minnesota Statutes Chapter 80C. This provision will prevail over a contrary provision in a franchise agreement.

4. Minnesota Statute 604.113 that governs NFS checks allows a maximum of $30 on service charges.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

The following five paragraphs shall be added to the State Cover Page:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS DISCLOSURE DOCUMENT.

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS AND AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ALTHOUGH THESE FRANCHISES HAVE BEEN ACCEPTED FOR FILING SUCH FILING UNDER GENERAL BUSINESS LAW, ARTICLE 33 OF THE STATE OF NEW YORK

DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE NEW YORK STATE DEPARTMENT OF LAW THAT THE INFORMATION PROVIDED IN THIS AGREEMENT IS TRUE. THE DEPARTMENT'S REVIEW DID NOT INCLUDE A DETAILED EXAMINATION OF THE MATERIALS SUBMITTED. A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT MAY CONSTITUTE A VIOLATION OF BOTH FEDERAL AND STATE LAW, AND SHOULD BE REPORTED TO BOTH FEDERAL TRADE COMMISSION, WASHINGTON, DC 20580 AND THE NEW YORK STATE DEPARTMENT OF SECURITIES, BUREAU OF INVESTOR PROTECTION AND SECURITIES, ONE COMMERCE PLAZA, 99 WASHINGTON AVENUE, ALBANY, NY 12231.

GENERAL BUSINESS LAW, ARTICLE 33 OF THE STATE OF NEW YORK MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE A COPY OF THE OFFERING PROSPECTUS, TOGETHER WITH A COPY OF THE FRANCHISE AGREEMENT AT THE EARLIER OF (A) THE FIRST PERSONAL MEETING BETWEEN THE FRANCHISE OR ITS AGENT AND THE PROSPECTIVE FRANCHISEE, (B) AT LEAST TEN (10) BUSINESS DAYS PRIOR TO THE EXECUTION OF A BINDING FRANCHISE OR OTHER AGREEMENT OR (C) AT LEAST TEN (10) BUSINESS DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION IN THE SALE OR PROPOSED SALE OF A FRANCHISE.

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: SECRETARY OF STATE, 162 WASHINGTON AVENUE, ALBANY, NY 12231.

Except as stated in Item 3 of this disclosure document, neither the franchisor, its predecessor, any affiliate offering franchises under the Marks, nor any person identified in Item 2 of this disclosure document:

(i) has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a felony, violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations;

(ii) has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations;

(iii) is subject to any injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

Neither the franchisor or any predecessor, officer or general partner of the franchisor has during the 10-year period immediately preceding the date of the offering prospectus been adjudged bankrupt or reorganized due to insolvency or was a principal officer of any company or a general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency during or within 1 year after the period that such officer or general partner of the franchisor held such position in such company or partnership, nor has any such bankruptcy or reorganization proceeding been began.

The introduction to Item 17 is amended to read as follows:

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS DISCLOSURE DOCUMENT.

The Summary column of Item 17d is amended to read: "You may terminate upon any grounds permitted by law."

The Summary column of Item 17j is amended to read: "We may assign only to a financially responsible assignee that we reasonably believe capable of performing our obligations under the Franchise Agreement and that expressly assumes these obligations in writing."

The Summary column of Item 17s is amended to add the following: "Revisions to the Manual will not unreasonably affect your obligations, including your economic obligations, under the Franchise Agreement."

The Summary column of Item 17w is amended to add the following: "The foregoing choice of law should not be considered a waiver of any right conferred upon you by the General Business Law of the State of New York, Article 33."

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NORTH DAKOTA

Items 17u (Dispute Resolution by Arbitration or Mediation) and 17v (Choice of Forum) are modified to eliminate the requirement that arbitration be held in Irvine, California.

Item 17w (Choice of Law) is modified to eliminate the requirement that Ohio law be used.

Item 17c (Renewal) and 17m (Transfer) are modified to eliminate the requirement that you sign a general release of claims. This will not prevent us from requiring you to sign a general release of claims as part of a settlement of a dispute or from requiring you, upon renewal or transfer

of the Franchise Agreement, to sign a release of claims other than those under the franchise laws of North Dakota.

Covenants not to compete are generally considered unenforceable in the State of North Dakota.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND

The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:

Despite the provisions of Item 17v and Item 17w of the disclosure document, any litigation or arbitration arising under the Franchise Agreement will take place in Rhode Island or other place mutually agreed to by the franchisee and franchisor.

Notwithstanding anything to the contrary in the Franchise Agreement or the Franchise Deposit Agreement, and to the extent required by Section 19-28.1-14 of the Rhode Island Franchise Investment Act, those agreements will be governed by the laws of the State of Rhode Island.

Section 6-50-4 of the RIFDA provides, except in certain specified instances, 60 days' prior written notice of termination, cancellation or non-renewal of the Agreement. These requirements will supersede inconsistent provisions of the Franchise Agreement.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

SOUTH DAKOTA

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

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.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A person who directly or indirectly engages in the offer or sale of franchises is a "franchise broker" as defined in RCW 19.100.010(7) and is subject to registration as such pursuant to RCW 19.100.0140. A franchisee who receives a referral fee may need to register as a franchise broker.

RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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. 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 franchise, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

Pursuant to RCW 19.100.010(7), WAC 460-82, and Franchise Act Policy Statement 6, franchisees that are paid a fee or commission for referral services may be required to register as franchise brokers in Washington.

Use of Franchise Brokers. We may use the services of one or more franchise brokers to assist us in selling our franchise. A franchise broker represents us and is paid a fee for referring prospects to us and/or selling the franchise. Do not rely on the information provided by a franchise broker about a franchise. Do your own investigation by contacting our current and former franchisees to ask them about their experience with us.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WISCONSIN

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

EXHIBIT B

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT B-1

STATE ADMINISTRATORS

CALIFORNIA
Commission Department of Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(866) 275-2677

HAWAII
Hawaii Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Chief, Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA
Franchise Section
Indiana Securities Division
302 West Washington Street, Room E-111
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

MICHIGAN
Franchise Administrator
Consumer Protection Division
Attorney General's Office
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525 W. Ottawa Street
Lansing, Michigan 48933
(517) 373-7117

MINNESOTA
Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 296-4026

NEW YORK
Assistant Attorney General
Bureau of Investor Protection and Securities
New York State Department of Law
28 Liberty Street
New York, New York 10005
(212) 416-8211

NORTH DAKOTA
Franchise Examiner
Office of Securities Commissioner
600 East Boulevard, Fourteenth Floor, Dept. 414
Bismarck, North Dakota 58505
(701) 328-4712

OREGON
Department of Consumer
and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
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Salem, Oregon 97309
(503) 378-4140

RHODE ISLAND
Chief Securities Examiner
Division of Securities
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(401) 462-9527

SOUTH DAKOTA
Department of Labor and Regulation
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON
Administrator
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501
(360) 902-8760

WISCONSIN
Franchise Administrator
Securities and Franchise Registration
Wisconsin Securities Commission
201 W. Washington Ave., Suite 400
Madison, Wisconsin 53703
(608) 266-8559

EXHIBIT B-2

AGENTS FOR SERVICE OF PROCESS

California Commissioner of Department of
Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013

Commissioner of Securities
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813

Illinois Attorney General Office
500 South Second Street
Springfield, Illinois 62706

Indiana Secretary of State
302 W Washington Street, Room E-111
Indianapolis, Indiana 46204

Maryland Securities Commissioner
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Baltimore, Maryland 21202-2020

Consumer Protection Division
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Commissioner of Commerce
MN Department of Commerce
Registration Division
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St. Paul, Minnesota 55101-2198

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

Ohio Attorney General's Office
30 East Broad Street, 14th Floor
Columbus, Ohio 43215

Director, Consumer & Business Services Dept.
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Salem, Oregon 97310

Securities Commissioner
State Capitol
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Bismarck, North Dakota 58505

Director of the
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Director of the Division of Insurance
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150 Israel Road, S.W.
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Commissioner of Securities
Office of the Commissioner of Securities
201 W. Washington Ave., Suite 300
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EXHIBIT C

FINANCIAL STATEMENTS

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers

Combined Financial Statements

August 31, 2022 and 2021

with Independent Auditors' Report

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CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

10100 Innovation Drive, Suite 400, Dayton, Ohio 45342
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INDEPENDENT AUDITORS' REPORT

Boards of Directors
CK Franchising, Inc. and SDX Home Care
Operations, LLC dba Comfort Keepers

Opinion
We have audited the accompanying combined financial statements of CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers (the Company), subsidiaries of CK Holdco, Inc., which comprise the combined balance sheets as of August 31, 2022 and 2021, and the related combined statements of income, equity, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers as of August 31, 2022 and 2021, and the results of its combined operations and its combined 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 Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers 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 Combined Financial Statements
Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements
Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditors' 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 combined 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 combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedure includes examining, on a test basis, evidence regarding the amounts and disclosures in the combined 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 CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers' 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 combined financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers' 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.

Report on Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental combined schedules of operating expenses are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Dayton, Ohio
March 23, 2023

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Balance Sheets
August 31, 2022 and 2021

	2022	2021
Assets:		
Current assets:		
Cash and cash equivalents	$ 17,022,937	9,343,184
Restricted cash	200,000	200,000
Accounts receivable:		
Royalties	2,360,211	1,800,000
National Brand Fund contributions	299,305	299,305
Personal care and other, net	1,690,285	2,607,701
Notes receivable - franchisees, current	172,590	348,620
Prepaid expenses and other	712,888	400,532
	22,458,216	14,999,342
Equipment and other depreciable assets, net	229,906	346,971
Other assets:		
Notes receivable - franchisees	53,648	463,844
Deposits	1,002,903	658,484
Right-of-use assets - operating leases	2,867,769	3,041,250
Goodwill	19,156,380	19,156,380
Other intangible assets, net	3,124,375	3,514,969
Deferred income taxes	1,825,080	2,166,924
Due from Sodexo Holdings, Inc.	16,055,461	30,644,430
	44,085,616	59,646,281
	$ 66,773,738	74,992,594

See accompanying notes to the combined financial statements.

		2022	2021
Liabilities and equity:			
Current liabilities:			
Accounts payable	$	4,509,355	4,340,348
Lease liability, current		1,486,034	1,746,242
Accrued liabilities		4,415,848	4,870,150
Notes payable - Sodexo, Inc., current		700,000	4,600,000
Customer deposits		519,307	482,834
		11,630,544	16,039,574
Other liabilities:			
Due to related entities		3,966,124	2,359,502
Accrued liabilities		-	1,070,293
Income taxes - due to Sodexo, Inc.		2,499,146	9,624,168
Deferred franchise fees		1,908,122	2,075,166
Lease liability, net of current portion		1,392,010	1,315,619
Notes payable - Sodexo, Inc.		-	700,000
		9,765,402	17,144,748
Equity:			
Common stock, no par, 300,000 authorized, issued and outstanding		300,000	300,000
Additional paid-in capital		10,340,742	10,469,296
Retained earnings		32,192,612	28,622,897
Member's equity		2,544,438	2,416,079
		45,377,792	41,808,272
	$	66,773,738	74,992,594

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Income
Years Ended August 31, 2022 and 2021

	2022	2021
Revenue:		
Personal care	$ 66,880,672	64,103,761
Royalties	27,021,980	25,341,856
Franchise fees	599,761	954,614
National Brand Fund	3,746,310	3,523,621
Safety Choice and other	736,816	536,976
	98,985,539	94,460,828
Operating expenses	86,328,239	84,748,362
Income from operations	12,657,300	9,712,466
Other income (expenses):		
Interest income	85,402	20,717
Depreciation	(177,897)	(194,153)
Amortization	(697,512)	(1,251,236)
Interest expense	(254,579)	(510,312)
Loss on disposals	(20,788)	-
Other expenses	(24,209)	(9,124)
	(1,089,583)	(1,944,108)
Income before income tax expense	11,567,717	7,768,358
Income tax expense	2,869,643	1,986,894
Net income	$ 8,698,074	5,781,464

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Equity
Years Ended August 31, 2022 and 2021

	Common Stock	Additional Paid-in Capital	Retained Earnings	Member's Equity	Total Equity
Balance, September 1, 2020	$ 300,000	10,236,109	22,761,488	2,496,024	35,793,621
Net income (loss)	-	-	5,861,409	(79,945)	5,781,464
Equity-based compensation	-	233,187	-	-	233,187
Balance, August 31, 2021	300,000	10,469,296	28,622,897	2,416,079	41,808,272
Net income	-	-	8,569,715	128,359	8,698,074
Dividends	-	-	(5,000,000)	-	(5,000,000)
Redemption of stock options	-	(435,480)	-	-	(435,480)
Equity-based compensation	-	306,926	-	-	306,926
Balance, August 31, 2022	$ 300,000	10,340,742	32,192,612	2,544,438	45,377,792

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Cash Flows
Years Ended August 31, 2022 and 2021

		2022	2021
Cash flows from operating activities:			
Net income	$	8,698,074	5,781,464
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation		177,897	194,153
Amortization		697,512	1,251,236
Amortization of right-of-use assets		1,504,770	1,776,246
Loss on disposal of fixed assets		13,482	-
Loss on disposal of intangibles		7,306	-
Deferred income taxes		341,844	(524,474)
Bad debt expense		239,509	332,202
Equity based compensation		306,926	233,187
Effects of change in operating assets and liabilities:			
Accounts and notes receivable		703,922	(623,887)
Prepaid expenses, deposits and other assets		(656,775)	57,307
Accounts payable and accrued liabilities		(1,355,588)	3,599,158
Payments on lease liability		(1,515,106)	(1,764,995)
Deferred franchise fees and customer deposits		(130,571)	(226,827)
Net cash provided by operating activities		9,033,202	10,084,770
Cash flows from investing activities:			
Equipment purchases		(74,314)	(105,362)
Deferred franchise cost		-	(144,000)
Business combinations		-	(1,532,000)
Software development		(314,224)	(58,500)
Net cash used by investing activities		(388,538)	(1,839,862)
Cash flows from financing activities:			
Due to related parties		3,635,089	3,247,851
Repayment of notes payable - Sodexo, Inc.		(4,600,000)	(6,400,000)
Net cash used by financing activities		(964,911)	(3,152,149)
Net change in cash and cash equivalents		7,679,753	5,092,759
Cash and cash equivalents - beginning of year		9,543,184	4,450,425
Cash and cash equivalents - end of year	$	17,222,937	9,543,184
Reconciliation of total cash and cash equivalents to the combined balance sheets:			
Cash and cash equivalents	$	17,022,937	9,343,184
Restricted cash		200,000	200,000
	$	17,222,937	9,543,184

See accompanying notes to the combined financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers (the Company), are set forth to facilitate the understanding of data presented in the combined financial statements.

Nature of operations and principles of combination

The combined financial statements include the accounts of CK Franchising, Inc. (CKFI) and SDX Home Care Operations, LLC (SDX).

CK Franchising, Inc. is a franchiser of non-medical in-home care service companies that operates under the brand of Comfort Keepers. The Company markets throughout the United States. International operations are conducted independently from CK Franchising, Inc. All shares of the Company are owned by CK Holdco, Inc., a holding company, which is a subsidiary of Sodexo Holdings, Inc. (the Parent). The Parent is a wholly owned subsidiary of Sodexo, Inc., which itself is a wholly owned subsidiary of Sodexo S.A. For financial reporting purposes, Sodexo Holdings, Inc.'s basis of accounting in connection with its acquisition of CK Holdco, Inc. has not been "pushed down" to the Company's financial statements.

SDX Homecare Operations, LLC is a wholly owned subsidiary of CK Holdco, Inc. that operates Comfort Keepers franchises in several states. The combined financial statements include the financial position, results of operations, and cash flows for all company owned franchise operations.

All significant intercompany accounts and transactions have been eliminated.

Basis of accounting

The combined financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as contained in the Accounting Standards Codification (ASC) issued by the Financial Accounting Standards Board (FASB).

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include interest bearing deposits and short-term investments with original maturities of three months or less. Periodically during the year, the Company has cash deposits in excess of federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to significant credit risk with its cash on deposit with financial institutions.

At August 31, 2022 and 2021, the Company had $200,000 of cash deposits designated to serve as collateral for lines of credit which is classified as restricted cash.

Accounts receivable

Accounts receivable primarily relates to royalties due from franchisees and fees due from personal care clients. The Company carries its accounts receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on current information known about franchisees and clients, historical collection information and existing economic conditions.

When an account is considered uncollectible, it is charged to the allowance for doubtful accounts. At August 31, 2022 and 2021, accounts receivable was presented net of an allowance for doubtful accounts of $941,895 and $1,099,743, respectively.

Notes receivable
The Company may finance the cost of initial franchise fees or other fees related to territory expansions in exchange for notes receivable. The notes receivable balances are carried at amortized cost. See Note 3 for further information.

Equipment and other depreciable assets
Equipment and other depreciable assets are carried at cost. The Company capitalizes costs that meet or exceed the Company's capitalization threshold of $1,000. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Repairs and maintenance are charged to expense as incurred.

Long-lived assets
Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived asset may be impaired, an evaluation of recoverability would be performed.

Leases and right-of-use assets
At the commencement of a lease, the Company determines whether the lease is an operating or finance lease. Leases are classified as finance leases if they meet any of the following criteria at lease commencement: the lease transfers ownership of the underlying asset to the lessee by the end of the lease term; the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise; the lease term is for the major part of the remaining economic life of the underlying asset; the present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments equals or exceeds substantially all of the fair value of the underlying asset; the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. Management has determined that the Company had no finance leases as of August 31, 2022 and 2021.

Operating leases are included in operating lease right-of-use (ROU) assets and lease liabilities on the combined balance sheets. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized as commencement date based on the present value of lease payments over the lease term. If leases do not provide an implicit rate, an incremental borrowing rate is used based on factors as of the commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Non-lease components are accounted for separately.

Goodwill and other intangible assets
Intangible assets include goodwill, trademarks, license rights, non-compete agreements, software development, customer lists and reacquired franchise rights.

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business acquisitions and is considered to have an indefinite life. The Company evaluates goodwill for impairment at least annually and completed its annual review as of August 31, 2022. When evaluating goodwill for impairment, the Company estimates the fair value of the reporting unit. If the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, then the identifiable assets, including identifiable intangible assets, and liabilities of the reporting unit are estimated at fair value as of the current testing date. The excess of the estimated fair value of the reporting unit over the current estimated fair value of net assets establishes the implied value of goodwill. The excess of the recorded goodwill over the implied goodwill value is charged to earnings as an impairment loss.

Significant judgement is required in estimating the fair value of the reporting unit and performing goodwill impairment loss. The Company uses a variety of methods to estimate a reporting unit's fair value, principally discounted projected future net cash flows. Key assumptions used include, but are not limited to, the use of estimated future cash flows; multiples of earnings; and an appropriate discount rate. In estimating future cash flows, the Company incorporates current market information, as well as historical factors. As such, the determination of fair value incorporates significant unobservable inputs. The Company determined that no impairment loss related to goodwill was deemed necessary during the years ended August 31, 2022 and 2021.

Other intangible assets are reviewed for impairment when events may indicate that the carrying amount of the asset may not be recoverable. Management has evaluated events occurring during the year and has determined there were no events that would qualify as potential for impairment of other assets.

Trademarks are considered to have an indefinite life and therefore are not being amortized. Finite lived license rights are amortized over the term that management expects to receive benefit from the license. Non-compete agreements are amortized on a straight-line basis over the term of the related contract. Customer lists are amortized based on the projected cash flows expected to be received from the customer base in place as of the date the list was acquired. Reacquired franchise rights are amortized using a straight-line basis over the remaining term of the franchise agreement related to the territory for which the rights were reacquired. Costs related to website development and internal-use software, incurred after the preliminary project stage, are capitalized at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Costs incurred during the preliminary project stage are expensed as incurred.

Revenue recognition
CKFI sells franchise agreements that grant the right to develop and operate a location within a specified area. The franchise agreements typically require the franchisee to pay an initial nonrefundable franchise fee prior to opening the respective location and continuing fees, or royalty income, on a monthly basis based upon a percentage of franchise gross sales, typically 5%. The initial term of the franchise agreement is 10 years. Prior to the end of the franchise term or as otherwise provided by the CKFI, a franchisee may elect to renew the term of a franchise agreement and, if approved, will typically pay a renewal fee upon execution of the renewal term. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is paid. The Company offers franchisees the option to finance a portion of the franchise fees in exchange for a promissory note, payable in monthly installments.

Generally, the franchise license granted for each individual location represents a single performance obligation. Therefore, initial franchise fees are recognized over the term of the respective franchise agreement beginning with the date of the location opening. Royalty income is also recognized over the term of the respective franchise agreement based on the royalties earned each period as the underlying sales occur. Renewal and transfer fees are generally recognized at the point in which the renewals and transfers occur as the amounts are immaterial and they represent payment for the administration services performed.

Disparities between the timing of revenue recognition and cash collections can result in the recognition of a contract asset or liability at the end of each reporting period. Contract assets consist of royalty revenue earned but not yet received and are accounted for as royalties receivable. The royalties receivable balance was $2,360,211, $1,800,000, and $1,800,000 at August 31, 2022, August 31, 2021, and September 1, 2020, respectively. Contract liabilities consist of franchise fee revenue received but not yet earned and are accounted for as deferred franchise revenue. The deferred franchise revenue balance was $1,908,122, $2,075,166, and $2,307,898 at August 31, 2022, August 31, 2021, and September 1, 2020, respectively. During 2022 and 2021, the Company recognized $388,891 and $687,274 of the beginning deferred franchise revenue, respectively.

CKFI maintains a National Brand Fund (NBF) to support nationwide promotional activities. As provided by the franchise agreements, franchisees and Company owned franchises contribute to the NBF monthly, in an amount equal to 2% of monthly gross revenues up to a maximum amount as determined annually. Franchisee contributions are recognized as revenues over time as obligated under the contracts at amounts expected to be received, while expenses are recognized as incurred. See Note 7 for further discussion of the NBF.

Personal care and safety choice revenue is recognized when services are provided to clients. Certain personal care clients are required to make an initial deposit; such deposits are recorded as a liability and are recognized over time as the services are provided.

Costs to obtain contracts
Costs to obtain contracts represent the portion of upfront franchise fees that were paid as commissions. These costs are required to be capitalized as CKFI expects to generate future economic benefit. Such costs to obtain contracts are reflected as deferred franchise costs, which are included as part of other intangible assets in the balance sheet and are amortized over the term of the franchise agreement, which is generally 10 years. Deferred franchise costs are reviewed annually for impairment. Other costs incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Equity-based compensation
Certain members of management may be granted Sodexo S.A. stock options. The Company has elected to treat such awards as if they were granted by the Company; accordingly, the Company recognizes compensation cost based on the fair value of the equity-based awards with a corresponding credit to additional paid-in capital. Amounts recognized are determined annually by the Parent.

Advertising
The Company expenses ongoing advertising costs as incurred. Advertising costs charged to expense were $5,779,816 and $6,051,154 during the years ended August 31, 2022 and 2021, respectively.

Federal income tax
CKFI and SDX are included in the combined tax return of Sodexo, Inc. Income taxes are provided for on a separate-return basis, with both entities being treated as C-Corporations. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus or minus the net change in deferred tax assets and liabilities. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, if necessary, to reduce the deferred tax assets to the amount that will more likely than not be realized.

Subsequent events
Management evaluates events and transactions occurring subsequent to the date of the combined financial statements for matters requiring recognition or disclosure in the combined financial statements. The accompanying combined financial statements consider events through the March 23, 2023, the date on which the combined financial statements were available to be issued.

2. BUSINESS COMBINATIONS:

During 2021, SDX acquired the assets of an independent personal care business located in Ohio. Total consideration paid was as follows:

Cash paid at closing	$	1,532,000
Note receivable forgiven		178,000
Contingent consideration		190,000
Total consideration	$	1,900,000

The purchase price was allocated as follows:

Reacquired franchise rights	$	1,026,000
Goodwill		874,000
	$	1,900,000

The acquisition completed during 2021 expanded the Company's overall personal care operations. The goodwill arising from the acquisition consists largely of the assembled workforce and other intangible assets that are subsumed into goodwill.

The liabilities related to the personal care business acquired in Ohio of $190,000 were paid out during the year ended August 31, 2022. Liabilities for contingent consideration totaled $-0- and $272,500 at August 31, 2022 and 2021, respectively, and are included in accounts payable in the accompanying combined balance sheets.

3. NOTES RECEIVABLE:

CKFI may finance the initial franchise fee for new territories or territory expansions. Notes receivable includes 17 separate notes that have maturity dates through 2025 and bear interest at 6%. Scheduled principal and interest payments are deducted from franchisee accounts monthly. Notes deemed uncollectible by management are written-off when the determination is made. At August 31, 2022 there were no notes past-due. At August 31, 2021, one note totaling $23,170 was over 90-days past-due.

Future principal payments scheduled to be received are as follows at August 31, 2022:

2023	$	172,590
2024		39,874
2025		13,774
	$	226,238

4. EQUIPMENT AND OTHER DEPRECIABLE ASSETS:

Below is a summary of equipment and other depreciable property at August 31, 2022 and 2021:

		2022	2021
Equipment and other depreciable assets:			
Furniture and fixtures	$	324,590	350,083
Office equipment		309,238	438,407
Leasehold improvements		45,608	45,608
Vehicles		70,947	153,742
		750,383	987,840
Less accumulated depreciation		520,477	640,869
	$	229,906	346,971

5. LEASES:

CKFI and SDX lease their operating facilities and certain office equipment under operating leases that extend through September 2027. Total lease expenses for the year ended August 31, 2022 consisted of operating lease expenses and short-term and variable lease expenses of $1,697,000 and $672,222, respectively. Total lease expenses for the year ended August 31, 2021 consisted of operating lease expenses and short-term and variable lease expenses of $1,904,470 and $409,404, respectively. The right of use assets and lease liabilities exclude leases with an initial term of less than one year and for which renewal options are not expected to be made. For all other leases, the Company has included the future minimum payments under the lease as well as the lease options that are considered reasonably assured of being exercised. As of August 31, 2022 and 2021, the Company used an imputed interest rate with a weighted average of 2.35% and 2.53%, respectively to discount future minimum payments under the leases, which is an estimate of the rate the Company would expect to incur for similar borrowings. The weighted average lease term remaining was 2.82 and 1.92 years as of August 31, 2022 and 2021, respectively.

Maturities of lease liabilities under these lease agreements are as follows as of August 31, 2022:

2023	$	1,334,039
2024		889,736
2025		485,093
2026		127,388
2027		105,368
Thereafter		38,248
Total lease payments		2,979,872
Less: imputed interest		(101,828)
Present value of lease liability		2,878,044
Less: lease liability - short term		(1,486,034)
Lease liability - long term	$	1,392,010

6. OTHER INTANGIBLE ASSETS:

Other intangible assets consist of the following at August 31, 2022:

	Trademarks	Deferred franchise cost	Software development	License and non-compete agreements	Customer lists	Reacquired franchise rights	Total
Cost	$ 279,021	664,037	512,989	19,650	3,569,844	6,457,000	11,502,541
Less: accumulated amortization	-	322,857	121,577	19,650	3,554,811	4,359,271	8,378,166
	$ 279,021	341,180	391,412	-	15,033	2,097,729	3,124,375

Other intangible assets consist of the following at August 31, 2021:

	Trademarks	Deferred franchise cost	Software development	License and non-compete agreements	Customer lists	Reacquired franchise rights	Total
Cost	$ 279,021	664,037	335,325	53,675	3,569,844	6,457,000	11,358,902
Less: accumulated amortization	-	227,877	167,268	52,194	3,511,735	3,884,859	7,843,933
	$ 279,021	436,160	168,057	1,481	58,109	2,572,141	3,514,969

During the year ended August 31, 2022, the Company disposed of software and licenses totaling $170,585 and related accumulated amortization of $163,279. During the year ended August 31, 2021, the Company disposed of software totaling $462,596 and related accumulated amortization of $409,510. Amortization expense for the years ended at August 31, 2022 and 2021 was $697,512 and $1,251,236, respectively.

Amortization expense for years ending after August 31, 2022 is expected to be as follows:

2023	$ 658,961
2024	594,067
2025	493,500
2026	286,873
2027	208,275
Thereafter	603,678
	$ 2,845,354

7. NATIONAL BRAND FUND:

Under its Franchise agreements, CKFI collects contributions to the NBF and is obligated to spend the funds on nationwide promotional activities. CKFI is also obligated to make minimum contributions to the NBF in the amount of $100,000 each calendar year. In addition, Company owned operations are also required to make contributions to the NBF on the same basis as franchisees. During 2022 and 2021, CKFI and SDX made contributions to the NBF totaling $596,191 and $582,787, respectively. CKFI may receive reimbursement from the NBF for activities reasonably related to the administration of the NBF up to a target rate 10% of contributions. CKFI was reimbursed for costs associated with operating the NBF totaling $368,667 and $291,667 for the years ended August 31, 2022 and 2021, respectively. The Company received a total of $3,766,831 and $3,523,621 of contributions from franchisees during the years ended August 31, 2022 and 2021, respectively. Total expenditures made from the NBF totaled $4,317,143 and $4,498,807 during the years ended August 31, 2022 and 2021, respectively.

8. LINES OF CREDIT:

The Company four separate lines of credit through Key Bank that permit borrowing up to $50,000 per line. Interest on outstanding balances accrues at 5.5% with payments on interest due monthly and principal due on demand. The Company maintains cash accounts with Key Bank equal to the borrowing available on the lines of credit as collateral. These accounts are presented as restricted cash. At August 31, 2022 and 2021, the outstanding balances on the lines of credit were $-0-.

9. RETIREMENT PLAN:

The Company sponsors a 401(k) profit sharing plan that covers substantially all employees of CKFI and the management of SDX who have completed one year of service. Pursuant to the provisions of the Plan, the Company makes safe harbor matching contributions equal to 100% of employee contributions of up to 4% of eligible wages which totaled $517,110 and $471,305 for the years ended August 31, 2022 and 2021, respectively.

10. LITIGATION:

The Company's policy is to accrue legal fees when it is probable that the Company will have to defend itself against known claims or allegations and it can reasonably estimate the amount of the anticipated expenses. The Company is involved in various legal actions arising in the normal course of business. These matters include being named as co-defendants in franchisee-level legal matters as well as other employment related matters. During 2022, the Company became the subject of investigation by the California Department of Justice (DOJ) relating to the Company's use in its Client Care Agreements of no hire and direct hire buyout provisions for caregivers which the DOJ believes may be contrary to California law. While the Company believes that its use of these provisions is lawful, if litigation by the DOJ was initiated and these provisions were determined to be violative of California law, the maximum penalty able to be enforce is $5,000 per violation. The Company believes that matter will be resolved via a pre-litigation settlement and estimates a loss between $0 and $268 per violation, which are estimated to be 2,742. The Company's legal accrual, relating to this and other matters, was $1,857,407 and $836,331 as of August 31, 2022 and 2021, respectively.

The Company also accrues for claims relating to customers and caregivers who have suffered injuries while receiving or providing service while under the Company's care. These claims are actuarily determined based on the types of claims submitted and historical data, among other factors. The

Company accrued $1,144,476 and $2,032,853 as of August 31, 2022 and 2021, respectively, related to claim liabilities outstanding.

11. INCOME TAXES:

The Company files its federal tax return as a member of a combined group and records its share of the combined federal tax liability on a separate return basis. Differences between the statutory rate and the effective rate are primarily due to state and local taxes.

The components of income tax expense for the years ended August 31, 2022 and 2021 were as follows:

	2022	2021
Federal, state and local income tax expense from continuing operations:		
Current	$ 2,527,799	2,511,368
Deferred	341,844	(524,474)
	$ 2,869,643	1,986,894

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The major temporary differences that result in deferred tax assets are various accrued liabilities, differences between book and tax depreciation expense and differences between the book and tax basis for intangible assets and differences in revenue recognition for franchise fees. After considering all the evidence, management has concluded that a valuation allowance is not needed for the deferred tax assets created by these differences.

12. RELATED PARTY TRANSACTIONS:

As described, in Note 1, through a series of holding companies, CKFI and SDX are wholly owned by Sodexo, Inc., which is a wholly owned subsidiary of Sodexo S.A. The Company enters into certain transactions with its parent companies and their affiliates. Outstanding balances between the Company and related parties at August 31, 2022 and 2021 were as follows:

	2022	2021
Due from Sodexo Holdings, Inc. - advances	$ 16,055,461	30,644,430
Accrued income taxes - due to Sodexo, Inc.	2,500,150	9,624,168
Due to Sodexo related entities	3,966,124	2,359,502
Notes payable - Sodexo, Inc.	700,000	5,300,000

Payment terms for the advances due from Sodexo Holdings, Inc. have not been formalized. Management does not expect repayment in the near term, and as such, the balances of $16,055,461 and $30,644,430 at August 31, 2022 and 2021, respectively, have been classified as non-current.

CKFI and SDX are included in the combined income tax return for Sodexo, Inc. As such, income taxes are calculated on a stand-alone basis and accrued annually.

Due to Sodexo related entities includes interest on notes payable and intercompany charges.

Notes payable to Sodexo, Inc. consist of one note payable with a maturity date during 2023 and interest rate of 5%.

Expenses paid to related parties for the years ended August 31, 2022 and 2021 were as follows:

	2022	2021
Sodexo interest expense	$ 254,579	510,312
Sodexo technical assistance expense	1,388,541	2,114,522
Sodexo trademark royalties expense	396,939	378,663
Equity-based compensation	306,926	233,187

13. SUPPLEMENTAL CASH FLOW DISCLOSURES:

	2022	2021
Supplemental disclosure of cash transactions:		
Cash paid for interest	$ 259,878	514,762
Supplemental disclosure of non-cash transactions:		
Investing transactions related to business combinations disclosed in Note 2	-	368,000
Right-of-use assets acquired with lease liabilities	1,320,953	514,658
Dividends offset by reduction in receivable from Sodexo Holdings, Inc.	5,000,000	-
Income tax payable to Sodexo Holdings, Inc. offsetby reduction in receivable from Sodexo Holdings, Inc.	9,624,167	-
Redemptions of stock obtions offset by decrease in receivable from Sodexo Holdings, Inc.	435,480	-

14. UNCERTAINTIES:

On March 11, 2020, an outbreak of a novel strain of coronavirus (COVID-19) was declared a global pandemic by the World Health Organization. The impact of COVID-19 on the Company's operations moving forward cannot be predicted, and the extent to which COVID-19 may impact the Company's financial condition or results of operations in the upcoming year is uncertain at this time.

15. SUBSEQUENT EVENT:

During January 2023, the Company's Board of Directors approved a dividend to Sodexo, Inc. of $13,382,169. The dividend payment was satisfied through a reduction of the advances due from and income taxes due to Sodexo, Inc.

SUPPLEMENTAL SCHEDULES

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Schedules of Operating Expenses
Years Ended August 31, 2022 and 2021

	2022	2021
Operating expenses:		
Advertising and marketing	$ 5,779,816	6,051,154
Bad debt expense	239,509	332,202
Bank fees	856,336	769,421
Client satisfaction	16,957	13,579
Dues and subscriptions	1,095,361	1,039,228
Employee compensation and benefits	66,004,912	62,446,170
Franchisee support	1,210,876	39,956
Safety Choice fees	382,596	430,332
GrandPad fees	312	-
Insurance	276,283	171,789
Internet	140,404	117,307
Licenses and permits	48,204	180,487
Miscellaneous	20,096	113,880
Postage	52,830	80,373
Sanitation supplies	99,130	169,024
Professional fees	2,030,997	4,293,882
Recruiting	543,118	402,194
Related party technical assistance	1,388,541	2,114,522
Related party trademark royalties	396,939	378,663
Rent and lease expense	2,369,222	2,313,874
Software, minor equipment and repairs	414,091	319,959
Supplies	693,036	657,795
Telephone	716,587	725,287
Training	39,962	30,570
Travel and entertainment	1,407,849	1,456,761
Utilities	104,275	99,953
	$ 86,328,239	84,748,362

See independent auditors' report.

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

CK Franchising Inc. and SDX Home Care Operations, LLC dba Comfort Keepers

Combined Financial Statements

August 31, 2021 and 2020

with Independent Auditors' Report

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CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

Boards of Directors
CK Franchising, Inc. and
SDX Home Care Operations, LLC

Report on the Combined Financial Statements

We have audited the accompanying combined balance sheets of CK Franchising, Inc. and SDX Home Care Operations, LLC (the Company), a subsidiary of CK Holdco, Inc., as of August 31, 2021 and 2020, and the related combined statements of income, equity, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position CK Franchising, Inc. and SDX Home Care Operations, LLC as of August 31, 2021 and 2020, and the results of its combined operations and its combined cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental combined schedules of operating expenses are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Dayton, Ohio
December 6, 2021

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Balance Sheets
August 31, 2021 and 2020

	2021	2020
Assets:		
Current assets:		
Cash and cash equivalents	$ 9,343,184	4,250,425
Restricted cash	200,000	200,000
Accounts receivable:		
Royalties	1,800,000	1,800,000
National Brand Fund contributions	299,305	300,695
Personal care and other, net	2,607,701	2,248,144
Notes receivable - franchisees, current	348,620	293,608
Prepaid expenses and other	400,532	448,275
	14,999,342	9,541,147
Equipment and other depreciable assets, net	346,971	435,762
Other assets:		
Notes receivable - franchisees	463,844	763,338
Deposits	158,484	154,758
Right-of-use assets	3,041,250	4,314,089
Advances to National Brand Fund	500,000	513,290
Goodwill	19,156,380	18,282,380
Other intangible assets, net	3,514,969	3,537,705
Deferred income taxes	2,166,924	1,642,450
Due from Sodexo Holdings, Inc.	30,644,430	30,639,785
	59,646,281	59,847,795
	$ 74,992,594	69,824,704

See accompanying notes to the combined financial statements.

	2021	2020
Liabilities and equity:		
Current liabilities:		
Accounts payable	$ 4,340,348	2,784,243
Lease liability, current	1,746,242	1,755,893
Accrued liabilities	4,870,150	2,517,030
Notes payable - Sodexo, Inc., current	4,600,000	6,400,000
Customer deposits	482,834	476,929
	16,039,574	13,934,095
Other liabilities:		
Due to related entities	2,359,502	1,597,659
Accrued liabilities	1,070,293	1,190,360
Income taxes - due to Sodexo, Inc.	9,624,168	7,133,515
Deferred franchise fees	2,075,166	2,307,898
Lease liability	1,315,619	2,567,556
Notes payable - Sodexo, Inc.	700,000	5,300,000
	17,144,748	20,096,988
Equity:		
Common stock, no par, 300,000 authorized, issued and outstanding	300,000	300,000
Additional paid-in capital	10,469,296	10,236,109
Retained earnings	28,622,897	22,761,488
Member's equity	2,416,079	2,496,024
	41,808,272	35,793,621
	$ 74,992,594	69,824,704

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Income
Years Ended August 31, 2021 and 2020

	2021	2020
Revenue:		
Personal care	$ 64,103,761	66,545,555
Royalties	25,341,856	24,416,803
Franchise fees	954,614	983,728
National Brand Fund	3,523,621	3,683,894
Safety Choice and other	536,976	738,885
	94,460,828	96,368,865
Operating expenses	84,748,362	87,165,465
Income from operations	9,712,466	9,203,400
Other income (expenses):		
Interest income	20,717	66,362
Depreciation	(194,153)	(236,013)
Amortization	(1,251,236)	(1,412,376)
Interest expense	(510,312)	(737,586)
Settlement	-	(1,090,216)
Other expenses	(9,124)	(548,889)
	(1,944,108)	(3,958,718)
Income before income tax expense	7,768,358	5,244,682
Income tax expense	1,986,894	1,333,749
Net income	$ 5,781,464	3,910,933

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Equity
Years Ended August 31, 2021 and 2020

	Common Stock	Additional Paid-in Capital	Retained Earnings	Member's Equity	Total Equity
Balance, September 1, 2019	$ 300,000	9,965,276	20,323,644	2,388,262	32,977,182
Net income	-	-	3,803,171	107,762	3,910,933
Equity-based compensation	-	270,833	-	-	270,833
Change in accounting principle, net of tax	-	-	(1,365,327)	-	(1,365,327)
Balance, August 31, 2020	300,000	10,236,109	22,761,488	2,496,024	35,793,621
Net income (loss)	-	-	5,861,409	(79,945)	5,781,464
Equity-based compensation	-	233,187	-	-	233,187
Balance, August 31, 2021	$ 300,000	10,469,296	28,622,897	2,416,079	41,808,272

See accompanying notes to the combined financial statements.

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Statements of Cash Flows
Years Ended August 31, 2021 and 2020

		2021	2020
Cash flows from operating activities:			
Net income	$	5,781,464	3,910,933
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation		194,153	236,013
Amortization		1,251,236	1,412,376
Depreciation of right-of-use assets		1,776,246	1,798,190
Deferred income taxes		(524,474)	(31,271)
Bad debt expense		332,202	2,306,324
Equity based compensation		233,187	270,833
Effects of change in operating assets and liabilities:			
Accounts and notes receivable		(623,887)	163,543
Prepaid expenses, deposits and other assets		44,017	437,056
Advances to National Brand Fund		13,290	(13,290)
Accounts payable and accrued liabilities		3,599,158	931,623
Payments on lease liability		(1,764,995)	(1,788,830)
Deferred franchise fees and customer deposits		(226,827)	(488,096)
Net cash provided by operating activities		10,084,770	9,145,404
Cash flows from investing activities:			
Equipment purchases		(105,362)	(28,614)
Deferred franchise cost		(144,000)	(96,000)
Business combinations		(1,532,000)	(742,500)
Software development		(58,500)	(136,025)
License agreements		-	(18,716)
Net cash used by investing activities		(1,839,862)	(1,021,855)
Cash flows from financing activities:			
Due to related parties		3,247,851	(4,192,912)
Repayment of notes payable - Sodexo, Inc.		(6,400,000)	(5,750,000)
Net cash used by financing activities		(3,152,149)	(9,942,912)
Net change in cash and cash equivalents		5,092,759	(1,819,363)
Cash and cash equivalents - beginning of year		4,450,425	6,269,788
Cash and cash equivalents - end of year	$	9,543,184	4,450,425
Reconciliation of total cash and cash equivalents to the combined balance sheets:			
Cash and cash equivalents	$	9,343,184	4,250,425
Restricted cash		200,000	200,000
	$	9,543,184	4,450,425

Supplemental disclosure of cash flow information:

The Company did not make any payments to related parties for income taxes during the years ended August 31, 2021 and 2020. The Company paid related parties $514,762 and $759,822 for interest during the years ended August 31, 2021 and 2020, respectively.

The Company had non-cash investing transactions of $368,000 and $82,500 related to the business combinations disclosed in Note 2 to the financial statements during the years ended August 31, 2021 and 2020, respectively.

During the years ended August 31, 2021 and 2020, the Company recognized right of use assets in exchange for lease liabilities of $514,658 and $6,112,279, respectively.

See accompanying notes to the combined financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting principles and practices of CK Franchising, Inc. and SDX Home Care Operations, LLC (the Company), are set forth to facilitate the understanding of data presented in the combined financial statements.

Nature of operations and principles of combination

The combined financial statements include the accounts of CK Franchising, Inc. (CKFI) and SDX Home Care Operations, LLC (SDX).

CK Franchising, Inc. is a franchiser of non-medical in-home care service companies that operates under the brand of Comfort Keepers. The Company markets throughout the United States. International operations are conducted independently from CK Franchising, Inc. All shares of the Company are owned by CK Holdco, Inc., a holding company, which is a subsidiary of Sodexo Holdings, Inc. (the Parent). The Parent is a wholly owned subsidiary of Sodexo, Inc., which itself is a wholly owned subsidiary of Sodexo S.A. For financial reporting purposes, Sodexo Holdings, Inc.'s basis of accounting in connection with its acquisition of CK Holdco, Inc. has not been "pushed down" to the Company's financial statements.

SDX Homecare Operations, LLC is a wholly owned subsidiary of CK Holdco, Inc. that operates Comfort Keepers franchises in several states. The combined financial statements include the financial position, results of operations, and cash flows for all company owned franchise operations.

All significant intercompany accounts and transactions have been eliminated.

Basis of accounting

The combined financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as contained in the Accounting Standards Codification (ASC) issued by the Financial Accounting Standards Board (FASB).

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include interest bearing deposits and short-term investments with original maturities of three months or less. Periodically during the year, the Company has cash deposits in excess of federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to significant credit risk with its cash on deposit with financial institutions.

At August 31, 2021 and 2020, the Company had $200,000 of cash deposits designated to serve as collateral for lines of credit, as described further in Note 7, which is classified as restricted cash.

Accounts receivable

Accounts receivable primarily relates to royalties due from franchisees and fees due from personal care clients. The Company carries its accounts receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on current information known about franchisees and clients, historical collection information and existing economic conditions.

When an account is considered uncollectible, it is charged to the allowance for doubtful accounts. At August 31, 2021 and 2020, accounts receivable was presented net of an allowance for doubtful accounts of $1,099,743 and $1,690,725, respectively.

Notes receivable
The Company may finance the cost of initial franchise fees or other fees related to territory expansions in exchange for notes receivable. The notes receivable balances are carried at amortized cost. See Note 3 for further information.

Equipment and other depreciable assets
Equipment and other depreciable assets are carried at cost. The Company capitalizes costs that meet or exceed the Company's capitalization threshold of $1,000. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Repairs and maintenance are charged to expense as incurred.

Long-lived assets
Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived asset may be impaired, an evaluation of recoverability would be performed.

Leases and right-of-use assets
At the commencement of a lease, the Company determines whether the lease is an operating or finance lease. Leases are classified as finance leases if they meet any of the following criteria at lease commencement: the lease transfers ownership of the underlying asset to the lessee by the end of the lease term; the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise; the lease term is for the major part of the remaining economic life of the underlying asset; the present value of the sum of the lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments equals or exceeds substantially all of the fair value of the underlying asset; the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. Management has determined that the Company had no finance leases as of August 31, 2021 and 2020.

Operating leases are included in operating lease right-of-use (ROU) assets and lease liabilities on the combined balance sheets. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized as commencement date based on the present value of lease payments over the lease term. If leases do not provide an implicit rate, an incremental borrowing rate is used based on factors as of the commencement date. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Non-lease components are accounted for separately.

Goodwill and other intangible assets
Intangible assets include goodwill, trademarks, license rights, non-compete agreements, software development, customer lists and reacquired franchise rights.

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business acquisitions and is considered to have an indefinite life. The Company evaluates goodwill for impairment at least annually and completed its annual review as of August 31, 2021. When evaluating goodwill for impairment, the Company estimates the fair value of the reporting unit. If the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, then the identifiable assets, including identifiable intangible assets, and liabilities of the reporting unit are estimated at fair value as of the current testing date. The excess of the estimated fair value of the reporting unit over the current estimated fair value of net assets establishes the implied value of goodwill. The excess of the recorded goodwill over the implied goodwill value is charged to earnings as an impairment loss.

Significant judgement is required in estimating the fair value of the reporting unit and performing goodwill impairment loss. The Company uses a variety of methods to estimate a reporting unit's fair value, principally discounted projected future net cash flows. Key assumptions used include, but are not limited to, the use of estimated future cash flows; multiples of earnings; and an appropriate discount rate. In estimating future cash flows, the Company incorporates current market information, as well as historical factors. As such, the determination of fair value incorporates significant unobservable inputs. The Company determined that no impairment loss related to goodwill was deemed necessary during the years ended August 31, 2021 and 2020.

Other intangible assets are reviewed for impairment when events may indicate that the carrying amount of the asset may not be recoverable. Management has evaluated events occurring during the year and has determined there were no events that would qualify as potential for impairment of other assets.

Trademarks are considered to have an indefinite life and therefore are not being amortized. Finite lived license rights are amortized over the term that management expects to receive benefit from the license. Non-compete agreements are amortized on a straight-line basis over the term of the related contract. Customer lists are amortized based on the projected cash flows expected to be received from the customer base in place as of the date the list was acquired. Reacquired franchise rights are amortized using a straight-line basis over the remaining term of the franchise agreement related to the territory for which the rights were reacquired. Costs related to website development and internal-use software, incurred after the preliminary project stage, are capitalized at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Costs incurred during the preliminary project stage are expensed as incurred.

Revenue recognition
CKFI sells franchise agreements that grant the right to develop and operate a location within a specified area. The franchise agreements typically require the franchisee to pay an initial nonrefundable franchise fee prior to opening the respective location and continuing fees, or royalty income, on a monthly basis based upon a percentage of franchise gross sales, typically 5%. The initial term of the franchise agreement is 10 years. Prior to the end of the franchise term or as otherwise provided by the CKFI, a franchisee may elect to renew the term of a franchise agreement and, if approved, will typically pay a renewal fee upon execution of the renewal term. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is paid. The Company offers franchisees the option to finance a portion of the franchise fees in exchange for a promissory note, payable in monthly installments.

Generally, the franchise license granted for each individual location represents a single performance obligation. Therefore, initial franchise fees are recognized over the term of the respective franchise agreement beginning with the date of the location opening. Royalty income is also recognized over the term of the respective franchise agreement based on the royalties earned each period as the underlying sales occur. Renewal and transfer fees are generally recognized at the point in which the renewals and transfers occur as the amounts are immaterial and they represent payment for the administration services performed.

Disparities between the timing of revenue recognition and cash collections can result in the recognition of a contract asset or liability at the end of each reporting period. Contract assets consist of royalty revenue earned but not yet received and are accounted for as royalties receivable. The royalties receivable balance was $1,800,000 at August 31, 2021 and 2020. Contract liabilities consist of franchise fee revenue received but not yet earned and are accounted for as deferred franchise revenue. The deferred franchise revenue balance was $2,075,166 and $2,307,898 at August 31, 2021 and 2020, respectively.

CKFI maintains a National Brand Fund (NBF) to support nationwide promotional activities. As provided by the franchise agreements, franchisees and Company owned franchises contribute to the NBF monthly, in an amount equal to 2% of monthly gross revenues up to a maximum amount as determined annually. Franchisee contributions are recognized as revenues over time as obligated under the contracts at amounts expected to be received, while expenses are recognized as incurred. See Note 7 for further discussion of the NBF.

Personal care and safety choice revenue is recognized when services are provided to clients. Certain personal care clients are required to make an initial deposit; such deposits are recorded as a liability and are recognized over time as the services are provided.

Costs to obtain contracts
Costs to obtain contracts represent the portion of upfront franchise fees that were paid as commissions. These costs are required to be capitalized as CKFI expects to generate future economic benefit. Such costs to obtain contracts are reflected as deferred franchise costs, which are included as part of other intangible assets in the balance sheet and are amortized over the term of the franchise agreement, which is generally 10 years. Deferred franchise costs are reviewed annually for impairment. Other costs incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Equity-based compensation
Certain members of management may be granted Sodexo S.A. stock options. The Company has elected to treat such awards as if they were granted by the Company; accordingly, the Company recognizes compensation cost based on the fair value of the equity-based awards with a corresponding credit to additional paid-in capital. Amounts recognized are determined annually by the Parent.

Advertising
The Company expenses ongoing advertising costs as incurred. Advertising costs charged to expense were $6,051,154 and $5,947,411 during the years ended August 31, 2021 and 2020, respectively.

Federal income tax
CKFI and SDX are included in the consolidated tax return of Sodexo, Inc. Income taxes are provided for on a separate-return basis, with both entities being treated as C-Corporations. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus or minus the net change in deferred tax assets and liabilities. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, if necessary, to reduce the deferred tax assets to the amount that will more likely than not be realized.

Cumulative effect of change in accounting principle
During the year ended August 31, 2020, the Company adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The adoption of the ASU resulted in recording deferred revenues for initial franchise fees, deferred franchise costs associated with obtaining franchise agreements, and recognizing franchisee National Brand Fund contributions receivable. The combination resulted in a decrease in members' equity as of September 1, 2019 of $1,365,327.

Reclassifications
Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

Subsequent events
Management evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through the December 6, 2021, the date on which the financial statements were available to be issued.

2. BUSINESS COMBINATIONS:

During 2021, SDX acquired the assets of an independent personal care business located in Ohio. Total consideration paid was as follows:

Cash paid at closing	$	1,532,000
Note receivable forgiven		178,000
Contingent consideration		190,000
Total consideration	$	1,900,000

The purchase price was allocated as follows:

Reacquired franchise rights	$	1,026,000
Goodwill		874,000
	$	1,900,000

During 2020, SDX acquired the assets of an independent personal care business located in Florida. Total consideration paid was as follows:

Cash paid at closing	$	742,500
Contingent consideration		82,500
Total consideration	$	825,000

The purchase price was allocated as follows:

Customer lists	$	153,000
Reacquired franchise rights		397,000
Goodwill		275,000
	$	825,000

The acquisitions completed during 2021 and 2020 expand the Company's overall personal care operations. The goodwill arising from the acquisitions consists largely of the assembled workforce and other intangible assets that are subsumed into goodwill.

Liabilities for contingent consideration totaled $272,500 and $82,500 at August 31, 2021 and 2020, respectively, and are included in accounts payable in the accompanying combined balance sheets.

3. NOTES RECEIVABLE:

CKFI may finance the initial franchise fee for new territories or territory expansions. Notes receivable includes 21 separate notes that have maturity dates through 2024 and bear interest at 6%. Scheduled principle and interest payments are deducted from franchisee accounts monthly. Notes deemed uncollectible by management are written-off when the determination is made. At August 31, 2021 and 2020, one note totaling $23,170 was over 90-days past-due.

Future principal payments scheduled to be received are as follows at August 31, 2021:

2022	$	348,620
2023		450,341
2024		13,503
	$	812,464

4. EQUIPMENT AND OTHER DEPRECIABLE ASSETS:

Below is a summary of equipment and other depreciable property at August 31, 2021 and 2020:

		2021	2020
Equipment and other depreciable assets:			
Assets not yet placed in service	$	-	25,000
Furniture and fixtures		350,083	350,083
Office equipment		438,407	353,653
Leashold improvements		45,608	-
Vehicles		153,742	153,742
		987,840	882,478
Less accumulated depreciation		640,869	446,716
	$	346,971	435,762

5. LEASES:

CKFI and SDX lease their operating facilities and certain office equipment under operating leases that extend through August 2028. Total lease expense for the year ended August 31, 2021 and 2020 was $2,313,874 and $2,203,582, respectively. The right of use assets and lease liabilities exclude leases with an initial term of less than one year and for which renewal options are not expected to be made. For all other leases, the Company has included the future minimum payments under the lease as well as the lease options that are considered reasonably assured of being exercised. As of August 31, 2021 and 2020, the Company used an imputed interest rate of 4.37% and 2.61%, respectively to discount future minimum payments under the leases, which is an estimate of the rate the Company would expect to incur for similar borrowings. The weighted average lease term remaining was 1.92 and 3.60 years as of August 31, 2021 and 2020, respectively.

Maturities of lease liabilities under these lease agreements are as follows as of August 31, 2021:

2022	$	1,746,242
2023		745,195
2024		404,033
2025		139,142
2026		105,030
Thereafter		118,290
Total lease payments		3,257,932
Less: imputed interest		(196,071)
Present value of lease liability		3,061,861
Less: lease liability - short term		(1,746,242)
Lease liability - long term	$	1,315,619

6. OTHER INTANGIBLE ASSETS:

Other intangible assets consist of the following at August 31, 2021:

		Trademarks	Deferred franchise cost	Software development	License and non-compete agreements	Customer lists	Reacquired franchise rights	Total
Cost	$	279,021	664,037	335,325	53,675	3,569,844	6,457,000	11,358,902
Less: accumulated amortization		-	227,877	167,268	52,194	3,511,735	3,884,859	7,843,933
	$	279,021	436,160	168,057	1,481	58,109	2,572,141	3,514,969

Other intangible assets consist of the following at August 31, 2020:

		Trademarks	Deferred franchise cost	Software development	License and non-compete agreements	Customer lists	Reacquired franchise rights	Total
Cost	$	279,021	520,037	814,421	59,278	3,569,844	5,431,000	10,673,601
Less: accumulated amortization		-	118,438	400,347	38,994	3,369,269	3,208,848	7,135,896
	$	279,021	401,599	414,074	20,284	200,575	2,222,152	3,537,705

During the year ended August 31, 2021, the Company disposed of software totaling $462,596 and related accumulated amortization of $409,510. Amortization expense for the years ended at August 31, 2021 and 2020 was $1,251,236 and $1,412,376, respectively.

Amortization expense for years ending after August 31, 2021 is expected to be as follows:

2022	$ 682,336
2023	558,757
2024	493,647
2025	401,757
2026	287,498
Thereafter	811,953
	$ 3,235,948

7. NATIONAL BRAND FUND:

Under its Franchise agreements, CKFI collects contributions to the NBF and is obligated to spend the funds on nationwide promotional activities. CKFI is also obligated to make minimum contributions to the NBF in the amount of $100,000 each calendar year. In addition, Company owned operations are also required to make contributions to the NBF on the same basis as franchisees. During 2021 and 2020, CKFI and SDX made contributions to the NBF totaling $582,787 and $815,353, respectively. CKFI may receive reimbursement from the NBF for activities reasonably related to the administration of the NBF up to a target rate 10% of contributions. CKFI was reimbursed for costs associated with operating the NBF totaling $291,667 and $306,395 for the years ended August 31, 2021 and 2020, respectively. The Company received a total of $3,523,621 and $3,683,894 of contributions from franchisees during the years ended August 31, 2021 and 2020, respectively. Total expenditures made from the NBF totaled $4,498,807 and $4,326,277 during the years ended August 31, 2021 and 2020, respectively.
CKFI has advanced the NBF $500,000 and $513,290 as of August 31, 2021 and 2020, respectively and is entitled to reimbursement under the terms of the contract. As timing of repayment is uncertain, advances receivable are presented with non-current assets.

8. LINES OF CREDIT:

The Company four separate lines of credit through Key Bank that permit borrowing up to $50,000 per line. Interest on outstanding balances accrues at 5.5% with payments on interest due monthly and principal due on demand. The Company maintains cash accounts with Key Bank equal to the borrowing available on the lines of credit as collateral. These accounts are presented as restricted cash. At August 31, 2021 and 2020, the outstanding balances on the lines of credit were $-0-.

9. RETIREMENT PLAN:

The Company sponsors a 401(k) profit sharing plan that covers substantially all employees of CKFI and the management of SDX who have completed one year of service. Pursuant to the provisions of the Plan, the Company makes safe harbor matching contributions equal to 100% of employee contributions of up to 4% of eligible wages which totaled $471,305 and $449,820 for the years ended August 31, 2021 and 2020, respectively.

10. LITIGATION:

The Company's policy is to accrue legal fees when it is probable that the Company will have to defend itself against known claims or allegations and it can reasonably estimate the amount of the anticipated expenses. The Company is involved in various legal actions arising in the normal course of business. These matters include being named as co-defendants in franchisee-level legal matters as well as other employment related matters. During the year ended August 31, 2020, the Company incurred expenses totaling $1,090,216 related to wage and hour matters that were settled during the year. These are presented with other expenses on the accompanying statement of administrative expenses. The Company's legal fee accrual was $2,869,184 and $1,278,455 at August 31, 2021 and 2020, respectively.

11. INCOME TAXES:

The Company files its federal tax return as a member of a consolidated group and records its share of the consolidated federal tax liability on a separate return basis. Differences between the statutory rate and the effective rate are primarily due to state and local taxes. The components of income tax expense for the years ended August 31, 2021 and 2020 were as follows:

	2021	2020
Federal, state and local income tax expense from continuing operations:		
Current	$ 2,511,368	1,365,020
Deferred	(524,474)	(31,271)
	$ 1,986,894	1,333,749

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The major temporary differences that result in deferred tax assets are various accrued liabilities, differences between book and tax depreciation expense and differences between the book and tax basis for intangible assets and differences in revenue recognition of franchise fees. After considering all the evidence, management has concluded that a valuation allowance is not needed for the deferred tax assets created by these differences.

12. RELATED PARTY TRANSACTIONS:

As described, in Note 1, through a series of holding companies, CKFI and SDX are wholly owned by Sodexo, Inc., which is a wholly owned subsidiary of Sodexo S.A. The Company enters into certain transactions with its parent companies and their affiliates. Outstanding balances between the Company and related parties at August 31, 2021 and 2020 were as follows:

	2021	2020
Due from Sodexo Holdings, Inc. - advances	$ 30,644,430	30,639,758
Accrued income taxes - due to Sodexo, Inc.	9,624,168	7,133,515
Due to Sodexo related entities	2,359,502	1,597,659
Notes payable - Sodexo, Inc.	5,300,000	11,700,000

Payment terms for the advances due from Sodexo Holdings, Inc. have not been finalized. Management does not expect repayment in the near term, and as such, the balances of $30,644,430 and $30,639,758 at August 31, 2021 and 2020, respectively, have been classified as non-current.

CKFI and SDX are included in the consolidated income tax return for Sodexo, Inc. As such, income taxes are calculated on a stand-alone basis and accrued annually.

Due to Sodexo related entities includes interest on notes payable and intercompany charges.

Notes payable to Sodexo, Inc. consist of three separate notes payable with various maturities ranging between 2022 to 2023 and interest rates between 3.04% and 5.24%.

The notes payable mature as follows:

2022	$ 4,600,000
2023	700,000
	$ 5,300,000

Expenses paid to related parties for the years ended August 31, 2021 and 2020 were as follows:

	2021	2020
Sodexo interest expense	$ 510,312	737,586
Sodexo technical assistance expense	2,114,522	834,319
Sodexo trademark royalties expense	378,663	351,875
Equity-based compensation	233,187	270,833

13. UNCERTAINTIES:

On March 11, 2020, an outbreak of a novel strain of coronavirus (COVID-19) was declared a global pandemic by the World Health Organization. The impact of COVID-19 on the Company's operations moving forward cannot be predicted, and the extent to which COVID-19 may impact the Company's financial condition or results of operations in the upcoming year is uncertain at this time.

SUPPLEMENTAL SCHEDULES

CK Franchising, Inc. and SDX Home Care Operations, LLC dba Comfort Keepers
Combined Schedules of Operating Expenses
Years Ended August 31, 2021 and 2020

	2021	2020
Operating expenses:		
Advertising and marketing	$ 6,051,154	5,947,411
Bad debt expense	332,202	2,306,324
Bank fees	769,421	794,154
Client satisfaction	13,579	30,298
Dues and subscriptions	1,039,228	1,317,312
Employee compensation and benefits	62,446,170	63,482,102
Franchisee support	39,956	719,296
Safety Choice fees	430,332	393,890
GrandPad fees	-	481,034
Insurance	171,789	248,004
Internet	117,307	103,807
Licenses and permits	180,487	46,016
Miscellaneous	113,880	73,807
Postage	80,373	96,531
Sanitation supplies	169,024	366,355
Professional fees	4,293,882	3,345,202
Recruiting	402,194	517,950
Related party technical assistance	2,114,522	834,319
Related party trademark royalties	378,663	351,875
Rent and lease expense	2,313,874	2,203,582
Software, minor equipment and repairs	319,959	253,716
Supplies	657,795	524,249
Telephone	725,287	652,544
Training	30,570	17,369
Travel and entertainment	1,456,761	1,963,392
Utilities	99,953	94,926
	$ 84,748,362	87,165,465

See accompanying notes to the combined financial statements.

These Financial Statements Have Been Prepared Without An Audit. Prospective Franchisees Or Sellers of Franchises Should Be Advised That No Independent Certified Public Accountant Has Audited These Figures Or Expressed An Opinion with Regard to their Content Or Form.

CK FRANCHISING, INC.
ComfortKeepers - North America
Combined Income Statement (Unaudited)
For the Eleven Months Ending Monday, July 31, 2023

Revenue	**$99,567,328**
Cost of Goods Sold	43,556,819
Gross Margin	**56,010,509**
Expenses	
Commissions and other franchise expenses	62,770
Advertising, selling & marketing	5,462,405
Franchise support	719,385
Consulting and professional fees	(134,111)
Labor cost	25,035,948
Travel and entertainment	466,986
Depreciation and amortization	2,199,341
Administrative expenses	7,947,386
Total expenses	**41,760,110**
EBIT	**14,250,399**
Management fees	1,411,152
EBIT after management fees	**12,839,247**
Non-operating income	370,135
Income tax expense	3,111,945
Net Income	**$10,097,437**

CK FRANCHISING, INC.
ComfortKeepers - North America
Combined Balance Sheet (Unaudited)
July 31, 2023

Assets	
Current Assets:	
Cash	$31,025,702
Accounts receivable, net	5,297,211
Short-Term Notes Receivable	92,001
Prepaid Expenses	1,339,915
Deferred Tax Asset	(2,613,355)
Total Current Assets	35,141,474
Fixed assets, net	12,117,578
Other non-current assets	106,628,841
Total Assets	**$153,887,893**
Liabilities and Equities	
Liabilities:	
Current Liabilities:	
Accounts payable and accrued expenses	$13,205,105
Lease liabilities, current portion	1,222,870
Deferred revenue	938,125
Advance payments and deposits	574,188
Current Liabilities	**15,940,288**
Lease liabilities	1,096,468
Other liabilities	107,281,659
Total liabilities	**124,318,415**
Equity	**29,569,478**
Liabilities and Equity	**$153,887,893**

EXHIBIT D-1

FRANCHISE DEPOSIT AGREEMENT

EXHIBIT D-1

FRANCHISE DEPOSIT AGREEMENT FOR TERRITORY RESERVATION

This Franchise Deposit Agreement ("Agreement") is entered into between CK Franchising, Inc., an Ohio corporation ("CKFI"), and _____ ("you") as of the date signed by CKFI and written on the last page of this Agreement.

CKFI grants franchises for the operation of a Comfort Keepers® business ("Franchised Business") and provides its franchisees with ongoing support.

You are deciding whether to enter into a franchise to operate a Franchised Business. The purpose of this Agreement is to compensate CKFI for setting aside a territory in which you would operate the Franchised Business.

NOW, THEREFORE, in reliance on and in consideration of the above facts and the terms and conditions stated below, the parties agree as follows:

1. Deposit. When you sign this Agreement, you will deliver to CKFI the sum of $5,000 in immediately available funds ("Deposit") to be used in any manner in which CKFI decides to use it. The entire Deposit will be applied toward your initial franchise fee for a Comfort Keepers® franchise if you sign a franchise agreement with CKFI within 180 days of signing this Agreement, as provided in Section 2 of this Agreement. The Deposit is not refundable under any circumstances.

2. Reservation of Territory. For 180 days after it signs this Agreement, CKFI will set aside, and will not grant a franchise to any other person or entity for, the following zip codes: _____

_____

_____

_____. If you sign and deliver to CKFI a franchise agreement for a Comfort Keepers® franchise by 5:00 p.m., California Pacific time, of the 180th day, the zip codes will comprise your protected territory under the franchise agreement. If you do not sign a franchise agreement within the time period specified, this Agreement will terminate automatically and CKFI will have full right to assign those zip codes as, or as part of, a territory granted to another Comfort Keepers® franchisee.

3. Termination. In addition to automatic termination of this Agreement under its Section 2, CKFI may, at its option, elect to terminate your rights under this Agreement if you have misstated or omitted any information required by the franchise application submitted to CKFI or otherwise given to CKFI in connection with your purchase of a Comfort Keepers® franchise.

4. Arbitration. Any dispute arising out of or in connection with this Agreement, must be determined by binding arbitration. Such arbitration must be conducted in Irvine, California, by JAMS, Inc. ("JAMS"), and in accordance with the then-current arbitration rules of JAMS. The parties will jointly select one arbitrator from the panel of arbitrators maintained by JAMS. The arbitrator will be an attorney having substantial experience with the arbitration of franchise disputes and licensed to practice under the laws of the State of Ohio. If the parties are not able to agree on the sole arbitrator within 30 days after notice of arbitration has been provided by either party, unless such time is extended by the parties, then the parties must apply to JAMS to designate and appoint the sole arbitrator. The arbitrator will limit discovery to the greatest extent possible consistent with basic fairness. Judgment on any award, which may include an award of damages, may be entered by any court having jurisdiction. All expenses of the arbitration, including compensation of the arbitrator, must be paid by the party against whom the arbitrator renders a decision. If

due notice of any hearing has been given to the parties, the arbitrator will have full power to proceed to take evidence or to perform any other acts required by this Agreement in the absence of any party who fails to appear at the time and place specified in the notice for the hearing. The arbitrator will have no power to assess punitive, speculative, or exemplary damages or make any award that extends, modifies, or suspends any lawful term of this Agreement.

5. Miscellaneous Provisions.

(a) Construction of Contract. Captions or paragraph headings included in this Agreement are for reference purposes only and will not in any way modify or limit the statements contained in any section or provision of this Agreement. All words in this Agreement will be considered to include any number or gender as the context or sense of this Agreement requires. If there is any conflict between this Agreement and any other document, this Agreement will control.

(b) Governing Law. This Agreement is made in the State of Ohio and its provisions will be governed by and enforced and interpreted under the laws of that State, except that a) conflicts of law rules will be excluded; b) the arbitration provisions of this Agreement are expressly and exclusively governed by and should be construed in accordance with the Federal Arbitration Act; and c) the provisions of the Ohio Business Opportunity Purchasers Protection Act will not apply, unless they would be otherwise applicable without this Agreement's designation of governing law.

(c) Payments, Notices and Communications. All payments are to be paid and any notices or communications should be directed to the parties to this Agreement at the addresses specified on the final page of this Agreement or at another address if advised in writing that the address has been changed. Notice may be delivered by facsimile (with simultaneous mailing of a copy by first class mail), courier, or first-class mail. Notice by facsimile will be considered delivered upon transmission; by courier, within one day after delivery to the courier; and by first class mail, three days after posting.

(d) Amendments. This Agreement may be amended, modified, or discharged, in whole or in part, only by a document in writing signed by all of the parties to this Agreement or by their authorized agents.

(e) Successors and Assigns. This Agreement will benefit and bind the parties to this Agreement and their heirs, successors, representatives, and transferees.

(f) Waiver. Waiver of any default or breach of this Agreement will not be interpreted as a waiver of any subsequent breach.

(g) Integration. This Agreement and the attachments hereto constitute the complete agreement between the parties concerning the subject matter of this Agreement and supersede all prior or contemporaneous agreements between the parties regarding its subject matter.

(h) Attorney Fees and Costs. If legal action, including any action on appeal, or arbitration is necessary to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to recover reasonable compensation for preparation, investigation, and court or arbitration costs or both and reasonable attorney fees, as fixed by a court of competent jurisdiction or by the arbitrator.

(i) Severability. Each section or provision of this Agreement will be considered severable. If, for any reason, any section or provision of this Agreement is determined to be invalid or in conflict with any existing or future law or regulation, the section or provision will not impair the operation of the remaining sections or provisions of this Agreement. The latter will continue to be given full force and effect and will bind the parties to this Agreement. The invalid sections or provisions will be considered not to be

a part of this Agreement.

(j) Disclaimer of Representations. NO REPRESENTATIONS, PROMISES, GUARANTIES OR WARRANTIES OF ANY KIND ARE MADE BY CKFI TO INDUCE YOU TO SIGN THIS AGREEMENT EXCEPT THOSE SPECIFICALLY STATED IN THIS AGREEMENT. YOU ACKNOWLEDGE THAT CKFI HAS MADE NO PROMISES OR WARRANTIES TO YOU CONCERNING THE APPROPRIATENESS OF THE GENERAL TERRITORY OR THE APPROVED LOCATION FOR A COMFORT KEEPERS OFFICE OR CONCERNING THE PROFITABILITY OR LIKELIHOOD OF SUCCESS OF THE FRANCHISE.

The parties have signed this Agreement as of the date written below.

Dated: _____

FRANCHISOR:
CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

1 Park Plaza, Suite 300
Irvine, CA 92614

DEPOSITOR:

_____
[Depositor's full legal name]

By: _____

Name: _____

Title: _____

ADDRESS

_____
_____

EXHIBIT D-2

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE

This page summarizes certain provisions of the Franchise Agreement to which it is attached. The Franchise Agreement's provisions will control in the event of any conflict.

Effective Date:_____

Territory:_____

Franchisee:_____

Address:_____

phone:_____

FAX:_____

email:_____

Franchise Fee:_____

Late Fee: $225 (interest at up to 18% begins accruing after 30 days)

Renewal Fee: $5,000

Royalty Fee: 5% of Gross Revenue. The Minimum Royalty Fee is $300. (See Section 6.2 for further description)

Transfer Fee: See Section 10.4

Addresses for Notices:

CKFI:

CK Franchising, Inc.
1 Park Plaza, Suite 300
Irvine, CA 92614
Facsimile: (937) 264-3103

Franchisee:_____

Comfort Keepers dba #_____

_____

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COMFORT KEEPERS®
FRANCHISE AGREEMENT

1. PARTIES

THIS FRANCHISE AGREEMENT is made as of the Effective Date by and between CK Franchising, Inc. ("CKFI"), an Ohio corporation with its principal offices in Irvine, California, and the individuals or Entity identified on the Summary Page as Franchisee (jointly and severally, "You").

2. RECITALS

2.1 Ownership of System and Marks. Through the expenditure of time, skill, effort, and money, CKFI has developed and owns the System and Marks relating to the establishment and operation of a business that, under the Marks, provides in-home care for seniors and other adults who need assistance in daily living, including companionship care, personal care, and personal technology services and equipment. The distinguishing characteristics of the System include, without limitation, uniform and distinctive methods for selling and advertising the services and equipment, uniform and distinctive operating procedures, methods, and techniques for operations, accounting, record-keeping and reporting, personnel management, promotion, marketing, advertising, training, and customer service, all of which CKFI may change, improve, and further develop over time.

2.2 Objectives of Parties. CKFI would like to grant to You, and You would like to accept from CKFI, a Franchise to operate a Franchised Business, using the Marks and the System, upon the terms and conditions in this Agreement. You understand and acknowledge the importance of CKFI's high and uniform standards of quality and service and the necessity of operating the Franchised Business in conformity with CKFI's standards and specifications.

3. DEFINITIONS

Capitalized terms in this Agreement will have the meanings given them in this Section 3:

3.1 Additional Services -- Those services other than Core Services that CKFI authorizes Franchisees to offer and provide. The Additional Services that CKFI authorizes You to perform in accordance with this Agreement, if any, are set forth in the Manual or a fully-executed Additional Services Addendum. CKFI may designate as Core Services those services that were Additional Services as of the Effective Date.

3.2 ADR Process -- The process set forth in Section 12.7 for resolution of Disputes between the parties.

3.3 Advertising Cooperative -- A group of 2 or more Franchised Businesses, as determined by CKFI, for the purpose of funding, administering and developing regional advertising and promotion under the Cooperative Advertising Program.

3.4 Affiliate -- A Person that controls, is controlled by, or is under common control with another Person.

3.5 **Agreement** -- This Franchise Agreement, including any amendments, exhibits and other attachments.

3.6 **Allowances** -- Marketing allowances, rebates, credits, monies, payments or benefits offered by suppliers. The term does not include payments for services rendered, license fees and the like and reimbursement by a vendor of CKFI's direct, out-of-pocket costs associated with items or services sold to You, for example, the cost CKFI incurs for an advertising agency to develop advertising materials sold to You by a vendor.

3.7 **Applicable Data Protection Laws** -- All applicable laws, regulations and best practices relating to privacy and data protection.

3.8 **Authorized Representatives** -- People authorized by the Complainant or the Respondent to act on behalf of such party to settle a dispute between the parties arising out of or in connection with this Agreement.

3.9 **Beneficial Ownership** -- As applicable: **(a)** direct or indirect ownership of all or any portion of an Entity's voting stock if it is a corporation; **(b)** direct or indirect ownership of all or any portion of the rights to capital or profits if the Entity is a limited liability company, a partnership of any kind (regardless of whether the partnership has been formalized or exists as a matter of law), or any Entity other than a corporation; or **(c)** direct ownership of the Franchised Business by any one or more individuals.

3.10 **Brand Fund** -- The vehicle that CKFI has established in accordance with Section 8.1 to enhance the goodwill and image of the System, Network, and Marks and to develop brand enhancement programs and materials.

3.11 **Business Day** -- Any day other than Saturday, Sunday or a holiday on which the U.S. Postal Service does not deliver mail.

3.12 **Care Recipient** -- A person to whom You or another Franchisee provides Services.

3.13 **CK Intranet** -- A private, Internet-based network that CKFI maintains to, among other things, post advertising materials, guidelines, resource materials, and other items (including all or part of the Manual) for Your review and use, and to facilitate electronic communication among itself, Franchisees and others authorized by CKFI.

3.14 **CK Website** -- The Internet Website that CKFI maintains at www.comfortkeepers.com and any additional or substitute Website that CKFI develops to advertise and promote the System, Franchised Businesses, the Network and the Services and Products offered under the Marks.

3.15 **Client Agreement** -- A written agreement between You and a Client for the provision of Services (other than Technology Services).

3.16 **Client Information** -- Any and all of, or any combination of, the name, contact information, care needs, Services provided, Equipment leased or purchased, payment history, and relationship history of any Client, Care Recipient or Subscriber, without regard to how the Client Information is compiled or designated, who has compiled the Client Information, or the medium

in which it is maintained. All Client Information belongs to CKFI and it may use or transfer the Client Information in its sole judgment, subject to applicable law.

3.17 **Clients** -- Persons (including hospitals and other residential or medical facilities) that engage Your Franchised Business, or any other Franchised Business, to provide Services to Care Recipients or Subscribers. A Client may or may not be the intended Care Recipient or Subscriber.

3.18 **CKFI** -- CK Franchising, Inc. or any Person to which CK Franchising, Inc. delegates, transfers or assigns all or part of its rights and obligations under this Agreement.

3.19 **Commencement Date** -- For You, the date of Termination of this Agreement (regardless of the reason for Termination), or the date that You Transfer all of Your interest in this Agreement. For a Related Party, the earlier of the date the Related Party ceases to satisfy the definition of a Related Party, or the date of Termination (regardless of the reason for Termination) of this Agreement.

3.20 **Company-owned Unit** -- A business owned or operated by CKFI or an affiliate of CKFI that provides Services under the Marks.

3.21 **Competitive Business** -- A business that: **(a)** derives any revenues from providing any of the services encompassed within the definition of Services, from providing any services that CKFI may now or in the future authorize You or other Franchisees to offer in connection with the operation of Franchised Businesses, or from selling or leasing Products similar to those that CKFI may authorize Franchisees to sell or lease; or **(b)** offers franchises or provides support services for any business of the type described in Section 3.21(a). For purposes of Section 7.11(a), a Competitive Business also means: **(i)** a business that directly or indirectly derives any revenues from providing any service that CKFI has under a pilot or test program; and **(ii)** any business that offers franchises or provides support services for any business that directly or indirectly derives any revenues from providing any service that CKFI has under a pilot or test program.

3.22 **Complainant** -- The party that initiates the ADR Process described in Section 12.7.

3.23 **Confidential Information** -- Any know-how, trade secrets and all other information not generally known that has been developed or is owned by CKFI or any of its Related Parties or their officers, directors, employees, agents, representatives, licensees and franchisees, including, but not limited to, all Client Information, all oral or written training, advice, Standards, guidelines and directives furnished by CKFI in connection with this Agreement or Your Franchised Business, all Manuals and other documentation, including those on the subjects of employee relations, finance and administration, field operation, purchasing and marketing; all information relating to operations of Franchisees or the Network, all other non-public aspects of the System; any password or electronic key or other device necessary to access other Confidential Information or the CK Intranet; and all other information CKFI or any of its Related Parties provides to or makes available to You or Your Related Parties, in any form or by any method, for use in the operation of Your Franchised Business under this Agreement.

3.24 **Cooperative Advertising Program** -- The advertising program described in Section 8.3.

3.25 **Core Services** -- The following Services: **(a)** Homemaker/Companionship Services; **(b)** Personal Care Services; and **(c)** Technology Services. Core Services also include every other Service that CKFI requires Franchisees to offer. CKFI may designate as Core Services those services that were Additional Services as of the Effective Date.

3.26 **CPI** -- The Consumer Price Index, All Urban Consumers/U.S. City Average, All Items, as determined by the U.S. Bureau of Labor Statistics (or a successor agency). Changes to fees based on CPI changes will be implemented in the month following the annual determination of the CPI.

3.27 **Customer Personal Data** -- All personal data, including customer contact information (such as name, telephone numbers, email and postal addresses), and transactional information collected by You from customers and prospective customers of the Franchised Business.

3.28 **Customers** -- Persons who purchase Products other than in connection with Services.

3.29 **Data Breach** -- An unauthorized or unlawful processing, access or use or accidental loss, destruction, damage, alteration or disclosure.

3.30 **Designated Manager** -- The person, regardless of title, whom You have appointed to fulfill the functions of a general manager (as that term is generally understood) of Your Franchised Business.

3.31 **Dispute** -- Any claim or controversy arising out of or related to: **(a)** this Agreement; **(b)** the relationship between You and CKFI; or **(c)** Your operation of the Franchised Business.

3.32 **EFT** -- Electronic funds transfer.

3.33 **Effective Date** -- The date stated on the Summary Page.

3.34 **Entity** -- Any legal entity, including but not limited to, a trust, a corporation, a general or limited partnership (regardless of whether the partnership has been formalized or exists as a matter of law) or a limited liability company.

3.35 **Equipment** -- Personal care technology equipment that You will offer under the Marks, as further described in the Manual.

3.36 **Expansion Agreement** -- A Franchise Agreement signed by You (or an Entity in which You hold more than 50% of the Beneficial Ownership) for an additional Franchised Business when You (or an Entity in which You hold more than 50% of the Beneficial Ownership) are then a party to another Franchise Agreement.

3.37 **Financial Statements** -- A balance sheet, income statement and statement of owners' equity as of a particular date and for the fiscal period then ended, prepared in accordance with U.S. generally accepted accounting principles, consistently applied, and in accordance with the chart of accounts that CKFI specifies. If You are an Entity, the Financial Statements will relate to Your assets, liabilities and operations; if You are an individual, the Financial Statements will relate to the proprietorship through which You conduct the Franchise.

3.38 **Fiscal Quarter** -- A accounting period consisting of three calendar months.

3.39 **Franchise** -- The rights to operate a Franchised Business.

3.40 **Franchise Agreement** **--** An agreement that sets forth the terms of the Franchise and governs the operation of the Franchised Business.

3.41 **Franchise Fee** -- The fee, in the amount set forth in the Summary Page, You must pay to CKFI upon Your execution of this Agreement, as described in Section 6.1.

3.42 **Franchised Business** -- A business providing Services and Products in accordance with the System and in association with the Marks and operating under a Franchise Agreement. The Franchised Business that You will operate under this Agreement is referred to in this Agreement as "Your Franchised Business."

3.43 **Franchisee** -- A Person (or Persons) who signs a Franchise Agreement as a primary obligor under the Franchise Agreement.

3.44 **Good Standing** -- Full and timely compliance, as determined by CKFI in its sole judgment, by You and Your Related Parties with all provisions of this Agreement, the Manual, and any other agreement between You or Your Related Parties and CKFI or its Related Parties. If You have been in default at least 2 times in a 12-month period or at least 3 times in any 24-month period, regardless of whether the prior defaults were cured, CKFI may, in its sole judgment, determine that You are not in Good Standing.

3.45 **Gross Revenue** -- The total amount of money received by You and Your Related Parties, in a given accounting period, for all Products sold or leased and Services rendered in connection with the Marks, and all other income of any kind (including income from the provision of any ancillary service approved by CKFI and the cash equivalent of goods and services received in a barter exchange) derived directly or indirectly in connection with Your operation of Your Franchised Business or Your operation under the Marks or any aspect of the System, including Client and Subscriber deposits and payments for mileage charges, but excluding: **(a)** sales taxes, value added taxes, or consumption taxes actually paid to a governmental authority; **(b)** mileage reimbursement actually paid for mileage billed to Clients; and **(c)** refunds actually made to Clients and Subscribers, during that accounting period.

3.46 **HIPAA** -- The federal Health Insurance Portability and Accountability Act.

3.47 **Homemaker/Companionship Services** -- Services and care for the elderly and other adults who need assistance in daily living, including companionship, meal preparation, light housekeeping, grocery and clothes shopping, grooming and dressing guidance, and assistance with recreational activities, all as further described in the Manual.

3.48 **Immediate Family** -- The spouse (common law or otherwise), parents, children, step-children, brothers, sisters, nieces, nephews, and in-laws of an individual having Beneficial Ownership in You.

3.49 **Improvements** -- Any addition, modification, adaptation, improvement, refinement, invention or innovation (including advertising slogans, logos, advertising concepts, and the like) that any Person makes or suggests related to the System, the Network, the Manual or other confidential information relating to any Franchised Business.

3.50 **Indemnified Parties** -- Jointly and severally, CKFI and its Affiliates, parents, ultimate parents, and their respective directors, officers, employees, shareholders, agents, consultants, attorneys, independent contractors, designees, successors, and assignees.

3.51 **Late Fee** -- The fee, in the amount set forth in the Summary Page, You must pay to CKFI as described in Section 6.7.

3.52 **Losses and Expenses** -- Compensatory, exemplary or punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; as applicable, compensation for damages to the reputation and goodwill CKFI or the System; and all other costs associated with any of the foregoing losses and expenses.

3.53 **Lost Revenue Damages** -- An amount equal to the net present value of the Royalty Fee, the Brand Fund fee and the Cooperative Advertising Program fee (if applicable) that would have been paid in the Measurement Period had the Agreement not been terminated. Lost Revenue Damages will be calculated as follows: **(a)** the aggregate of the Royalty Fee, the Brand Fund fee and the Cooperative Advertising Program fee percentages multiplied by the Gross Revenues of the Franchised Business during the 12 calendar months immediately preceding the Commencement Date; multiplied by **(b)** the number of calendar months in the Measurement Period.

3.54 **MPS or Minimum Performance Standards --** The requirement that Your Franchised Business achieve a specified minimum Gross Revenue during a month to comply with this Agreement. The Minimum Performance Standards are set out in Section 7.3 of this Agreement.

3.55 **MPS Gross Revenue** -- The minimum monthly Gross Revenue Your Franchised Business must achieve to comply with the MPS, as set out in Section 7.3 of this Agreement.

3.56 **Manual** -- All manuals, bulletins, directives, memoranda, marketing specifications, guides, video or audio tapes, computer media (e.g., computer software), electronic communications (e.g., via the Internet or CK Intranet) and other written and electronic communications prepared by CKFI or under its direction periodically, that contain the Standards and other requirements or recommendations for the operation of a Franchised Business and the use of the System. The Manual contains, among other things, instructions for use of the Marks, the Standards for operation of Your Franchised Business, including specifications for printed materials and computer equipment and software that You will use, sample business forms, information on marketing, management, operating techniques, and administration methods developed by CKFI for use in a Franchised Business, and other information that CKFI believes may be necessary or helpful to You in Your operation of Your Franchised Business. CKFI currently makes the Manual available online through CK Intranet. The Manual remains CKFI's exclusive property at all times.

3.57 **Marks** -- The trademarks, trade names, logos, emblems, domain names, trade dress, and other indicia of origin, including the trade name "COMFORT KEEPERS®", licensed by CKFI to

You under this Agreement and used by CKFI to identify the System and the Franchised Businesses and to promote Services and Products in various media, including the Internet.

3.58 **Measurement Period** -- The period of time from the Commencement Date to the earlier of: **(a)** 3 years following the Commencement Date; or **(b)** the scheduled expiration of the Term.

3.59 **Minimum Royalty Fee** -- The minimum Royalty Fee payment due during the first 24 months after the Start Date, as provided in Section 6.2(a)(i). The Minimum Royalty Fee is set forth on the Summary Page.

3.60 **Network** -- All Franchised Businesses and all Company-owned Units.

3.61 **NKA Agreement** -- An agreement with a Network Key Account Referral Source under which Franchisees may provide Services or Products to NKA Clients. The NKA Agreement may, but need not, involve a prescribed discount or other special terms and may be between CKFI and a Network Key Account Referral Source or between a group of Franchisees and a Network Key Account Referral Source. The NKA Agreement may also provide for individual sub-agreements with Franchisees providing Services or Products under the terms of the NKA Agreement.

3.62 **NKA Client** -- Any person who seeks to have a Franchisee provide any Services or Products under the terms of an NKA Agreement and who is also a member or affiliate of, or similarly associated with, a Network Key Account Referral Source.

3.63 **Network Key Account Referral Source** -- Any referral source that offers, on a local, statewide, national or regional basis, the opportunity for Franchisees in the applicable geographic area to provide any Services or Products to the referral source's members, affiliates, or, however designated, other persons who have a similar relationship with that referral source.

3.64 **Office** -- A permanent physical facility, with hours of operation Monday through Friday from no later than 9:00 a.m. to no earlier than 5:00 p.m. and with its own telephone numbers, from which a Franchisee operates a Franchised Business.

3.65 **Open Area** -- Zip codes that are not assigned as part of any Territory, in which any Franchisee may provide Services or sell or lease Products.

3.66 **Permanently Disabled** -- Being subject to any physical, emotional or mental injury, illness or incapacity that prevents an individual from performing his or her obligations under this Agreement or under any guaranty of Franchisee's obligations under this Agreement for at least 90 consecutive days, and from which recovery is unlikely within 90 days from the date such person is determined to be Permanently Disabled.

3.67 **Person** -- An individual or an Entity.

3.68 **Personal Care Services** -- Basic personal care services for the elderly and other adults who need assistance with the basic activities of daily living, including eating, bathing, and dressing, all as further described in the Manual.

3.69 **Plan of Care** -- A written plan setting out the Services that Your Franchised Business will provide to a Care Recipient.

3.70 **Products** -- Those items, other than Services, that CKFI authorizes You to offer and sell or lease to Clients, Care Recipients, Subscribers, or others, including Equipment.

3.71 **Related Party(ies)** -- Persons affiliated with either CKFI or You, as the context requires, including Persons owning or otherwise having a Substantial Interest in CKFI or You, Persons in which CKFI or You have a Substantial Interest and Persons in which any Person owning a Substantial Interest in You also has a Substantial Interest, and each of Your officers and directors. If any of You is an individual, the spouse of each such individual is a Related Party. The spouse of an individual who has a direct or indirect Substantial Interest in You also is a Related Party. A Substantial Interest means the right to 10% or more of the capital or earnings of a Person.

3.72 **Renewal Agreement** -- CKFI's then-current form of Franchise Agreement (modified to reflect the fact that the Franchised Business is already operating) that a Franchisee signs for an additional term at the end of the expiring term of a Franchise Agreement or at such earlier time as CKFI may permit.

3.73 **Respondent** -- The party receiving the notice of initiation of the ADR Process.

3.74 **Royalty Due Date** -- The 15th day of a calendar month or, if that is not a Business Day, the next Business Day.

3.75 **Royalty Fee** -- The continuing monthly fee that You will pay, as set forth in Section 6.2.

3.76 **Satellite Unit** -- A second or additional physical facility from which You operate some functions of the Franchised Business within Your Territory. The Satellite Unit is not required to be staffed full-time and need not have its own telephone number.

3.77 **Services** -- All Core Services and those Additional Services and ancillary services that CKFI has authorized You to perform.

3.78 **Standards** -- The mandatory standards, specifications, procedures and processes required by CKFI in connection with the operation of a Franchised Business as set forth in the Manual or otherwise in writing and as periodically modified by CKFI.

3.79 **Start Date** -- The date by which You must begin offering Homemaker/Companionship Services and Technology Services, which may only be extended with CKFI's written consent.

3.79.1 With respect to a Start-up Agreement, the Start Date is the last day of the month following the month in which all of those persons designated in Section 7.2.1: **(a)** successfully complete, as determined by CKFI in its sole discretion, the initial training program specified in Section 7.2.1; or **(b)** are required to complete the initial training program (*i.e.*, 60 days after the Effective Date), whichever is earlier. With respect to a Start-Up Agreement, CKFI will provide you written notice of the Start Date.

3.79.2 With respect to an Expansion Agreement not acquired through a Transfer, the Start Date is 60 days after the Effective Date.

3.79.3 With respect to: **(a)** a Franchised Business acquired through a Transfer; and **(b)** a Franchise Agreement signed in connection with the conversion of an independent business to a Franchised Business, the Start Date is the Effective Date.

3.80 **Start-up Agreement** -- A Franchise Agreement signed by a Franchisee for the Franchisee's first Franchised Business, but it does not include an Expansion Agreement, a Renewal Agreement, a Franchise Agreement signed in connection with a Transfer and a Franchise Agreement signed in connection with a conversion of an independent business to a Franchised Business.

3.81 **Subscriber** -- A Person who signs an agreement with a Franchisee for that Franchisee to provide Technology Services and Equipment. A Subscriber may, but need not be, a Client or Care Recipient.

3.82 **Subscriber Agreement** -- An agreement between a Franchisee and a Subscriber for Technology Services.

3.83 **Summary Page** -- The page that directly precedes the Table of Contents.

3.84 **System** -- The distinctive and proprietary business system developed and owned by CKFI, as it may be periodically developed, changed and modified, including the Confidential Information, Services, vendor arrangements, business methods, methods of operation, Standards, technical knowledge, trade secrets, purchasing arrangements, advertising materials, marketing concepts and strategies, information on sources of supply, administrative procedures, business forms and employee training techniques.

3.85 **TS Supplier** -- A supplier to CKFI of any of the Equipment or monitoring or related services that You will sell or lease to Subscribers and others.

3.86 **Technology Services** -- Monitoring or related services provided under one or more of the Marks in connection with the sale or lease of Equipment. Technology Services may not involve monitoring and may not require or involve electronic Equipment. By way of example, Technology Services might include mailing medication packets to be used in connection with a medication management system. The Equipment and monitoring or related services may also be co-branded with the mark of a third party.

3.87 **Term** -- The term of the Franchise Agreement as set forth in Section 4.4.1.

3.88 **Termination** -- The expiration, non-renewal of this Agreement or termination, under the circumstances described in Section 11 of this Agreement, of the then-current Term before its normal expiration date.

3.89 **Territory** -- A fixed geographical area within which CKFI authorizes a Franchisee to provide Services to Care Recipients, Technology Services to Subscribers, or to sell or lease Products to Clients, Care Recipients, Subscribers, or others. The geographical area is defined by the boundary of specified zip codes as they exist on the Effective Date. The Territory assigned to

You is set forth in Attachment 1 to this Agreement and is referred to in this Agreement as "Your Territory." If You provide Services or sell Products in an Open Area under the terms set forth in Section 4.2.4, the Open Area does not become part of Your Territory.

3.90 Transfer -- Any sale, gift, assignment, conveyance, pledge, encumbrance, or other direct or indirect lien or change in ownership, whether voluntary or by operation of law, of all or any part of: **(a)** the rights and obligations under this Agreement; **(b)** any Beneficial Ownership in the Franchised Business; or **(c)** any Beneficial Ownership interest in You.

3.91 Transfer Fee -- The fee, calculated as set forth in Section 10.4(e), to be paid to CKFI in the event of a Transfer.

3.92 Website -- An interactive electronic document contained in a network of computers linked by communications software, including the Internet and World Wide Web home pages.

4. GRANT OF FRANCHISE

4.1 Granting Clause. CKFI grants to You, and You accept from CKFI, a Franchise to operate a Franchised Business within Your Territory in accordance with the terms of this Agreement.

4.2 Territory.

4.2.1 Geographic Restrictions on Your Activities. You may provide Services and lease or sell Products (or sign an agreement to provide Services or lease or sell Products) only in Your Territory unless one of the following exceptions applies: **(a)** the conditions set forth in Section 4.2.4 are met; **(b)** You have received the prior express written permission of the Franchisee in whose Territory You intend to provide Services or lease or sell Products, and have provided a copy of that written permission to CKFI; or **(c)** You have CKFI's prior written permission to do so.

You may solicit referral sources without regard to their geographic location; however, You may not directly or indirectly solicit to or advertise for Clients, Care Recipients, Subscribers, or Customers outside Your Territory except as otherwise provided in Section 4.2.4 or unless CKFI, in its sole judgment, provides its prior written consent.

4.2.2 Territorial Protection for Technology Services and Products. Subject to the rights reserved by CKFI in Section 4.3, as long as You and Your Related Parties are in Good Standing, CKFI will not provide Technology Services under the Marks in Your Territory without Your written permission. In addition, as long as You and Your Related Parties are in Good Standing, CKFI will not authorize another Franchisee to provide Technology Services or sell or lease Products under the Marks in Your Territory without Your written permission, except under one of the following circumstances:

(a) If, as described in Section 4.2.3, CKFI permits one or more other Franchisees to continue to provide Homemaker/Companionship Services or Personal Care Services to Care Recipients in an Open Area that now is within Your Territory, those Franchisees may also market and provide Technology Services or Products to those existing Care Recipients.

(b) If, for any reason (other than an unsafe or unhealthy environment for the installer, non-payment by the potential Client or Subscriber of a requested deposit, or direct or indirect request by a potential Client, Subscriber, or Customer that You violate the law), You decline to provide Technology Services to a potential Client, Subscriber or Customer in Your Territory (including NKA Clients), CKFI, another Franchisee or a Company-owned Unit may provide Technology Services/Equipment and Products to the potential Client, Subscriber or Customer. If You decline to provide Technology Services/Equipment or Products, You must notify CKFI and provide CKFI all necessary contact information. This Section 4.2.2(b) does not apply if You are providing personal technology services or equipment under other marks as permitted by Section 7.2.5.

(c) If You acquired the Franchised Business by Transfer and the transferring franchisee had given another Franchisee or Company-owned Unit written permission to provide Services to specific Care Recipients in Your Territory, that Franchisee or Company-owned Unit may continue to provide Technology Services and Products to Care Recipients under signed Client Agreements.

The territorial protection described in this Section 4.2.2 begins on the third Business Day after You meet the conditions set forth in Section 7.2.2.

4.2.3 Territorial Protection for Services Other than Technology Services. Subject to the rights reserved by CKFI in Section 4.3, as long as You and Your Related Parties are in Good Standing, CKFI will not and will not authorize any other Franchisee or licensee to provide Services (other than Technology Services, for which territorial protection is specified in Section 4.2.2) under the Marks to Clients or Care Recipients within Your Territory (other than Technology Services) under the Marks to Clients or Care Recipients within Your Territory, except in any of the following circumstances:

(a) If, before You executed this Agreement, other Franchisees or Company-owned Units had been serving Care Recipients in an Open Area that now is within Your Territory, CKFI will, in the best interests of continuity of client care, permit those Franchisees or Company-owned Units to continue to provide Services (including, to the extent provided in Section 4.2.2, Technology Services and Products) to those Care Recipients.

(b) To protect the goodwill associated with the Marks and the reputation of the System, CKFI may, in its sole judgment, permit another Franchisee or Company-owned Unit to provide Services (other than Technology Services) under the Marks to new or existing Care Recipients in Your Territory (including NKA Clients) if: **(i)** You have failed to respond to requests for Services (other than Technology Services) from existing or potential Clients or Care Recipients in Your Territory in violation of customer service Standards, regardless of whether CKFI has given You formal notice of default under this Agreement; and **(ii)** CKFI calls Your Franchised Business to advise of CKFI's intent to give such service permission and You do not, within 3 hours after the call, provide evidence to CKFI's reasonable satisfaction that You have satisfactorily resolved the issue of contacting the prospective or existing Client.

(c) If, for any reason (other than an unsafe or unhealthy environment for the caregiver, non-payment by the potential Client or Care Recipient of a requested deposit, or direct or indirect request by a potential Client or Care Recipient that You violate the law), You decline to serve a

potential Client or Care Recipient in Your Territory, CKFI may permit another Franchisee or Company-owned Unit to provide Services. If You decline to provide Services, You must immediately refer the potential Client or Care Recipient to another Franchisee and notify CKFI that You have done so.

(d) If You opt not to provide Services under an NKA Agreement where participation is non-mandatory, CKFI may assign all NKA Clients in Your Territory to another Franchisee, Franchisees, or Company-owned Units, as it deems advisable.

(e) If You acquired the Franchised Business by Transfer and the transferring franchisee had given another Franchisee or Company-owned Unit written permission to provide Services to specific Care Recipients in Your Territory, that Franchisee or Company-owned Unit may continue thereafter to provide Services (including Technology Services or Products, regardless of whether the Care Recipient is a Subscriber when You acquire the Franchised Business) to Care Recipients under signed Client Agreements.

The territorial protection described in this Section 4.2.3 begins on the third Business Day after You have met the conditions set forth in Section 7.2.2.

4.2.4 Open Areas. You may provide Services to Clients, Care Recipients, or Subscribers, and You may lease or sell Products in an Open Area only with CKFI's prior written consent and only if You and Your Related Parties are, and remain, in Good Standing. CKFI's written consent, which it may withdraw in its sole judgment, will be deemed given if the following conditions are met:

(a) You direct solicitations, marketing and advertising to prospective Clients outside of Your Territory only within the Open Area and You can completely discontinue that directed solicitation, marketing and advertising on 14 days' notice or less.

(b) You agree that, when any portion of the Open Area is granted to another Franchisee as part of its Territory or CKFI opens a Company-owned Unit that serves any portion of the Open Area: **(i)** You will cease accepting new Clients, Care Recipients, and Subscribers (except as otherwise permitted in writing by CKFI) for any Services in the Open Area that is assigned as the Territory of that Franchisee or the Company-owned Unit; and **(ii)** You will immediately take all steps necessary to completely discontinue any advertising You have directed to prospective Clients, Care Recipients, Subscribers, or Customers in the Open Area.

If You begin to provide Services or market, sell, or lease Products in an Open Area, You will be deemed to have agreed to the foregoing. You must immediately stop providing Services to Clients and Care Recipients in an Open Area if CKFI withdraws its consent to Your operating there. CKFI reserves the right withdraw its consent following written notice to You.

4.2.5 Modification of Your Territory. CKFI may not modify Your Territory without Your consent.

4.3 Rights Reserved. This Agreement does not limit the rights of CKFI, its Related Parties or Affiliates to use or license the Marks and System or to engage in or license any business activity at any other location or by any other means, except as provided in Section 4.2 above. You are not

acquiring any rights under this Agreement other than the right to use the System as specifically defined in this Agreement and in accordance with its terms. CKFI, its Affiliates and Related Parties retain all rights not expressly granted to You in this Agreement including the right to:

(a) Own, acquire, establish and operate, and license others to establish and operate, Franchised Businesses outside Your Territory.

(b) Own, acquire, establish and operate systems (franchised or company-owned) under other proprietary marks, whether any such system is similar to or different from the System, at any locations in or outside Your Territory, and to use other channels of distribution (for example, the Internet, catalog sales, telemarketing, or other direct marketing) in connection with those systems and locations.

(c) Own, acquire, establish and operate, and license others to establish and operate, businesses different from a Franchised Business, but operated under the Marks, in or outside Your Territory, and to use other channels of distribution (e.g., the Internet, catalog sales, telemarketing, or other direct marketing) in connection with those systems and locations.

(d) Be acquired by a business or entity providing products and services similar to those provided by Franchised Businesses, even if that business or entity operates, franchises or licenses Competitive Businesses in Your Territory.

(e) Sell or distribute, at retail or wholesale, directly or indirectly, or via the Internet or any other means, or license others to sell or distribute, via any means (including the Internet and other channels of distribution) any products (including Products) that bear any proprietary marks, including the Marks, whether in or outside Your Territory.

4.4 Term and Renewal.

4.4.1 Term. This Agreement becomes effective on the earlier of the date signed by CKFI or the Effective Date and the Term will continue for 10 years from the Start Date, unless terminated earlier.

4.4.2 Renewal. At the end of the Term, You will have the right to renew the Franchise for consecutive additional 10 year terms if at the time of each renewal all of the following conditions are, in CKFI's sole judgment, fulfilled:

(a) You and Your Related Parties have substantially complied with all of the material provisions of this Agreement (including the Standards) throughout the Term and You and Your Related Parties are then in full compliance with all of the material provisions of this Agreement (including the Standards).

(b) You have notified CKFI in writing at least 120 days before the expiration of the Term of Your desire to renew.

(c) You and all of Your Related Parties who are, in CKFI's determination, actively involved in the Franchised Business have complied with CKFI's then-current training requirements for renewing Franchisees.

(d) You and any Person with a Substantial Interest in You have timely executed the Renewal Agreement (including an Agreement and Guaranty and a Confidentiality and Non-Compete Agreement in such forms as CKFI may then require, and any ancillary agreements CKFI may require).

(e) You and all Persons that have any Beneficial Ownership interest in You or in the Franchise or have signed a guaranty of Your obligations have executed a general release of claims in favor of CKFI and its Related Parties and Affiliates.

(f) At the time You sign the Renewal Agreement, You pay CKFI a renewal fee in the amount specified on the Summary Page.

The Renewal Agreement will be in the form of CKFI's then-current form of Franchise Agreement for new franchisees, modified to reflect the fact that the Franchised Business is already operating. The terms of the Renewal Agreement, and any other agreements CKFI may require, may differ materially from those contained in this Agreement, including increased Royalty Fees and Brand Fund contributions.

5. SERVICES TO FRANCHISEE

Provided You are in Good Standing, CKFI will perform the following obligations at locations selected by it.

5.1 Training.

5.1.1 Initial Training. Before You commence offering Services or selling or leasing Products, CKFI will conduct an initial training program in the operation of a Franchised Business for 2 persons, at least 1 of which must have Beneficial Ownership in You. Additional persons may attend that initial training program or subsequent initial training programs if there are open training spaces.

5.1.2 Additional Training. CKFI will also provide those additional seminars, conferences, courses and other training as it deems advisable and it may require You, Your Designated Manager and other employees to attend. CKFI may offer the additional training in person, online or through teleconference or video conference as it deems advisable. All additional training is subject to Section 7.2.1.

5.2 Operational Assistance. CKFI will provide that periodic and continuing advisory assistance to You in the operation of Your Franchised Business as CKFI deems advisable. CKFI may provide this assistance by telephone, email, the CK Intranet, Office visits, additional training, and those other means as it deems appropriate.

5.3 Marketing and Branding Assistance. CKFI will periodically make available, at Your expense, marketing and other materials for Your use in advertising. In addition, as described in Section 8, CKFI will provide that other marketing and branding assistance and develop that marketing, branding, public relations and advertising programs as it deems advisable.

5.4 Services Development. CKFI will, to the extent it deems advisable, research new types of Services that You may offer under this Agreement.

5.5 Manual. During the Term, CKFI will furnish You a copy of, or provide electronic access to, the Manual. CKFI may revise the Manual periodically to reflect System modifications and will provide You with those revisions.

5.6 Equipment and Technology Services. CKFI will make available to You, for lease or purchase, Equipment and monitoring and related services for Your use in providing Technology Services and selling or leasing Products, as further described in the Manual. CKFI may modify, cancel, withdraw and substitute the models or types of Equipment and monitoring or related services at any time following 60 days' notice to You, and CKFI may change, substitute and add TS Suppliers at any time without notice to You. CKFI may provide any notice required under this Section by email. CKFI's obligation to make available Equipment and monitoring and related services as described in this Section is not absolute and may be delayed or excused, without liability to You, upon the occurrence of any circumstance beyond CKFI's control, including acts of God, war, government regulations, disaster, failure of the TS Supplier to meet its obligations to CKFI, acts of terrorism, strikes (except those involving CKFI's employees), civil disorder or curtailment of transportation facilities.

5.7 Pricing. CKFI may recommend suggested pricing for the Equipment and Core and Additional Services and may set minimum and maximum prices that You may charge to Clients, Care Recipients and Subscribers for Equipment, Core Services, and Additional Services. In setting minimum pricing, CKFI will take into account, as it deems appropriate, valid franchisee-level marketing programs, Medicaid waiver programs, pricing variations in a given market and similar considerations.

5.8 Suppliers and Warranty.

(a) CKFI will provide, and periodically update, a list of approved or designated (sole) suppliers of goods and services. CKFI and its Affiliates may be approved or designated suppliers and may mark up goods and services sold or leased to You.

(b) To the extent possible, CKFI will pass on to You the benefit of any warranty it receives from a manufacturer of Equipment. You acknowledge that CKFI is not the manufacturer of the Equipment and that CKFI does not itself provide monitoring and related services that You will provide as part of Technology Services. **CKFI makes no express or implied warranty of the Equipment and Services that are part of Technology Services, including any warranty of merchantability or of fitness for any particular purpose. You agree to rely solely on the Equipment warranty given by the TS Supplier and to look solely to the TS Supplier for fulfillment of any Equipment or Services warranty. You agree that CKFI has no liability for any failure of the Equipment or monitoring or related Services that constitute Technology Services.**

5.9 Subscriptions and Other Items. If this Agreement is a Start-up Agreement, CKFI will pay for the following program-related expenses, provided, in each case, You begin using the program within 6 months of the Start Date:

(a) The start-up fee and a 1-year subscription to a scheduling software program designated by CKFI and for initial training on that software program, subject to Your execution of the license agreement for that program.

(b) The start-up fee and a 1-year subscription related to an online learning system approved by CKFI.

(c) The registration fees for up to 2 of Your owners to attend the next scheduled national meeting for franchisees.

In addition, CKFI will pay for a 1-year membership with a designated human resources compliance vendor which will begin as of the Start Date if You timely complete the necessary forms and Your membership in a national home care association designated by CKFI.

5.10 Franchisee Meetings. CKFI will, as it deems advisable, coordinate in person, online, teleconference or videoconference periodic meetings of Franchisees on a local, regional or national basis. CKFI may charge a fee for attendance at the national meeting for Franchisees. CKFI will charge a fee for other meetings only if it incurs out-of-pocket costs in connection with the meeting.

5.11 Withholding Performance. CKFI will perform its obligations under this Agreement if You and Your Related Parties are in Good Standing. Should You or Your Related Parties fail to be in Good Standing, CKFI may, in its sole judgment, do any or all of the following until You and Your Related Parties fully cure the default or CKFI terminates this Agreement: **(a)** deny You access to the CK Intranet; **(b)** refuse to sell Technology Services or Equipment to You; **(c)** remove Your Franchised Business from the Franchised Business locater page and Your interior pages, on the CK Website; **(d)** remove Your Franchised Business from the list of Franchised Businesses to which telephone inquiries for Services are referred; **(e)** remove Your Franchised Business from the list of Franchised Businesses to which caregiver employment inquiries are referred; **(f)** remove Your Franchised Business from the list of Franchised Businesses that are entitled to "Comfort Keepers" discounts from approved vendors; and **(g)** remove Your Franchised Business from the list of Franchised Businesses that are approved to participate in national or other alliance programs. CKFI may take these actions in addition to, or instead of, giving You notice of default and termination under this Agreement.

CKFI's withholding of performance services in accordance with this Section is not a breach of this Agreement or a defense to CKFI's enforcement of this Agreement. CKFI's decision to withhold performance rather than terminating this Agreement, does not constitute a waiver of CKFI's subsequent right to terminate this Agreement or to exercise any other remedies available to CKFI.

5.12 No Third-Party Rights. Except as otherwise expressly provided, nothing in this Agreement is intended, nor will be deemed, to confer on any Person other than Franchisee, CKFI and CKFI's Affiliates any rights or remedies under or by reason of this Agreement. You have no rights, as a third-party beneficiary or otherwise, to enforce any provision of any Franchise Agreement between CKFI and any other Franchisee.

5.13 Delegation. CKFI's duties and obligations under this Agreement may be performed by any designee, employee or agent as CKFI may direct.

5.14 Non-Uniform Agreements. CKFI has entered, may continue to enter and may amend 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 CKFI and other Franchisees may have different rights and obligations does not affect CKFI's or Your duties to comply with the terms of this Agreement.

6. PAYMENTS BY FRANCHISEE

6.1 Franchise Fee. No later than the date You sign this Agreement, You must pay CKFI the Franchise Fee. The Franchise Fee is fully earned by CKFI when this Agreement is signed by You and is not refundable.

6.2 Royalty Fee and Gross Revenue Reports.

(a) On each Royalty Due Date, You will pay to CKFI a monthly Royalty Fee equal to the greater of the Minimum Royalty Fee or 5% of Gross Revenue for the immediately preceding calendar month. If this Agreement is a Start-up Agreement, Your obligation to pay the Royalty Fee commences in the 5th full calendar month after the Start Date with respect to operations in the 4th month. Notwithstanding the foregoing, if any of Your guarantors or any Entity in which any of your guarantors has Beneficial Ownership has been providing Services to Care Recipients in an Open Area that is now part of Your Territory and You are now serving any of those Care Recipients, You must pay Royalty Fees from the Start Date on Gross Revenue from Services provided to those Care Recipients.

To the extent provided in Section 7.3, You will pay a monthly Royalty Fee on the greater of Your actual Gross Revenue or the MPS Gross Revenue applicable to Your Franchised Business for that month.

(b) By the 5th day of each month during the Term following the Start Date, You will transmit to CKFI by email, fax or other delivery method designated by CKFI a Gross Revenue report, in the form specified by CKFI, itemizing Gross Revenue for the preceding month. If You fail to timely transmit the Gross Revenue report to CKFI, CKFI may debit from Your designated bank account (by EFT as provided in Section 6.8) estimated Royalty Fees in an amount equal to 120% of the Royalty Fee collected for the preceding month (together with service charges, interest and Late Fees, as applicable). Once you transmit a Gross Revenue report that was not timely provided, CKFI will, if applicable, debit Your designated bank account for any underpayment or credit any overpayment against the next Royalty Fee due. CKFI will retain any interest on any overage that CKFI has debited due to Your failure to timely file a Gross Revenue report. CKFI's debiting of an estimated Royalty Fee will not constitute a waiver of CKFI's right to declare a default for Your failure to file the Gross Revenue report or timely pay Royalty Fees and other amounts due.

6.3 Payment for Technology Services and Equipment. By the 10th day of each month during the Term, CKFI will provide You with an invoice for all service fees, Equipment costs, and related fees You owe CKFI relating to the Technology Services You have provided and the Equipment You have leased or sold during the preceding month. On the 25th day of each month, CKFI will debit the amount invoiced by EFT, as described in Section 6.8. Payment is due regardless of

whether Subscribers or Customers have paid You. CKFI may periodically change its fees and Equipment costs following 60 days' written notice to You, but CKFI may not increase them by more than the greater of the CPI increase or the amount by which a TS Supplier has increased its fees to CKFI. CKFI may provide this notice by email to the email address CKFI has assigned to You.

6.4 Audit. CKFI has the right at all reasonable times to review, inspect, audit and copy Your books and records, including Your tax returns, with respect to Your Franchised Business. If the inspection or audit discloses an underpayment of Royalty Fees or other fees or amounts payable under this Agreement, You will immediately pay these amounts to CKFI together with accrued interest on the amount underpaid, in accordance with Section 6.7. In addition, if the underpayment exceeds 3% of the total Royalty Fees payable for any period covered under the audit, You will reimburse all expenses actually incurred by CKFI or its agents in connection with the audit. If You are an Entity for which separate books, records and tax returns are not prepared (that is, You are a subsidiary of an Entity for which only consolidated Financial Statements are required to be prepared), You must make available for audit those books, records, schedules, tax returns, and work papers relating to Your assets, liabilities and operations that CKFI deems necessary.

6.5 Out of Territory Administrative Fee. If You enter into a Client Agreement to provide Services outside of Your Territory in violation of this Agreement, You will pay CKFI an administrative fee of $500 to cover CKFI's costs. In addition, if an audit is required to determine if You are providing Services outside of Your Territory, You will reimburse all expenses actually incurred by CKFI or its agents in conducting the audit.

6.6 Additional Fees. In addition to the fees included in this Section 6, You must pay those other fees and costs described elsewhere in this Agreement.

6.7 Interest and Late Fee. Any payment not received by CKFI within 30 days after the payment is due will bear interest at the lesser of 18% per year or the highest rate allowed by applicable law, commencing the date the payment was due. In addition, You will pay the Late Fee if any payment-related report or any payment You must make to CKFI is not reported or made to CKFI within 2 days after the date the report or payment was due. CKFI may change the late fee each year by the amount of the change in the CPI.

6.8 EFT Payments. All amounts You owe to CKFI under or in connection with this Agreement will be paid by EFT. Simultaneously with executing this Agreement, You will execute a document in the form of Attachment 2 granting CKFI the authority to process EFTs from Your designated bank account. At CKFI's request, You will periodically execute any additional documents necessary to confirm or update this authority. You will be responsible for any EFT transfer fee or similar charge imposed by Your bank and for any service charges incurred by CKFI or imposed by Your bank should any EFT not be honored by Your bank for any reason.

6.9 Application of Payments; No Right of Set-off. CKFI has the right to apply any payment it receives from You to any past due amount You owe to CKFI or any of CKFI's Related Parties or Affiliates, regardless of how You indicate the payment is to be applied. You may not, on grounds of alleged non-performance by CKFI of its obligations under this Agreement, withhold payment of Royalty Fees or any other amounts due to CKFI or its Affiliates.

You acknowledge that any development incentive program offered by CKFI to You may be modified or terminated at any time, provided that, at the time of modification or termination, You and CKFI have not entered into a written agreement pursuant to which You have accepted the incentive offer.

7. YOUR OBLIGATIONS

7.1 Marks.

7.1.1 Ownership and Use of Marks.

(a) You acknowledge that the Marks are valid and that they are the sole property of CKFI. Your right to use the Marks derives solely from this Agreement.

(b) You may use the Marks only in the operation of Your Franchised Business and only in the manner and for the purposes permitted or specified by CKFI. You may not use any other trade name or marks in connection with Your Franchised Business. You may not use the Marks, or any portions thereof (including the letters "CK"), as part of Your corporate, partnership or limited liability company name.

(c) In order to protect the goodwill associated with the Marks, neither You nor any of Your Related Parties or Affiliates may use any portion of the Marks or the letters "CK" or any other confusingly similar mark, logo, trade name or reference in connection with the operation of a business that is not a Franchised Business.

7.1.2 Changes in Marks. CKFI has invested substantial time, energy and money in the promotion and protection of the Marks, however, rights in intangible property such as the Marks are often difficult to establish and defend. In addition, other circumstances, such as changes in the cultural and economic environment within which the Network operates, changes in marketing or other strategies, or third-party challenges to CKFI's rights in the Marks, may make changes in the Marks desirable or necessary. Accordingly, CKFI reserves the right to change the Marks and the specifications for each when CKFI believes that such changes will benefit the System. You will promptly conform, at Your expense, to those changes. CKFI need not reimburse You for any loss of revenue due to any modified or discontinued Mark or for Your expenses in changing to, or promoting, a modified or substitute trademark or service mark.

7.1.3 Notice of Claims Relating to Marks. You must notify CKFI in writing within 5 days of any apparent infringement of any Mark, any challenge to Your use of any Mark, and of any claim by any Person to any rights in any Mark. Except as CKFI otherwise permits in writing, You may not directly or indirectly communicate with any person other than Your attorney (if a claim is brought against You) and CKFI and its counsel in connection with any such infringement, challenge or claim. CKFI has the sole right to determine whether any action should be taken. If any action is taken, CKFI has the right to direct and control that action, including the conduct of an administrative proceeding or litigation or other adjudicative proceeding involving the Marks, as well as any settlement of any such proceeding or litigation. You have no right, independent of CKFI, to make any demand against any user or challenger or to prosecute any claim of any kind or nature relating to the Marks. You must execute any and all documents, render that assistance, and do all acts that may, in the opinion of CKFI's counsel, be necessary or advisable to protect and

maintain the interests of CKFI and its Affiliates in any such litigation or administrative proceedings, or to otherwise protect and maintain the interest of CKFI and its Affiliates in the Marks.

7.1.4 Goodwill; Notice of Negative Publicity. Any and all goodwill, including Client Information, arising from or in connection with Your use of the Marks and the System belongs to and inures solely to the benefit of CKFI. You will promptly notify CKFI in writing of any publicity (in any medium) relating to You, Your Franchised Business, any of Your Related Parties or any other Person, that is negative or reasonably likely to damage the goodwill associated with the Marks, including the occurrence of "sentinel events" involving death or serious injury to a Care Recipient, as provided in the Manual. You, Your Related Parties, and Your employees will cooperate with CKFI in its handling of the publicity related to the matter.

7.2 Quality Control.

7.2.1 Training.

(a) If this Agreement is a Start-up Agreement, an individual with Beneficial Ownership in You, as well as Your Designated Manager, if any, must attend and successfully complete, as determined by CKFI in its sole discretion, CKFI's initial training within 60 days after the Effective Date or during the next scheduled training CKFI conducts after the Effective Date. If this Agreement is an Expansion Agreement, Your Designated Manager for the Franchised Business, if any, must attend and successfully complete, as determined by CKFI in its sole discretion, CKFI's initial training within 60 days after the Effective Date or during the next scheduled training CKFI conducts after the Effective Date. Any successor Designated Manager must attend and complete initial training to CKFI's satisfaction within 6 months after being hired. CKFI does not charge a training fee for You or Your employees to attend initial training, however, unless this is a Start-up Agreement, You must pay any costs (not to exceed $750 per person) paid by CKFI to third party certification or similar entities for each individual You send to the full initial training or to those portions that include certification courses. If this is a Start-up Agreement, you may send 2 persons to initial training without reimbursing CKFI for the certification costs.

(b) As CKFI periodically requires, You, Your Designated Manager and other employees shall also attend, at Your expense, those courses, seminars and other training programs. CKFI will not charge a fee for required training programs.

(c) For all training that is not required (other than training associated with the national meeting), You will pay a training fee as established by CKFI on a per-attendee basis if CKFI incurs out-of-pocket costs associated with a speaker or other program.

(d) You will be responsible for all expenses incurred by You and any other person who attends training in connection with Your Franchised Business, including the costs of transportation, lodging, meals and any wages.

7.2.2 Beginning Operations. You begin providing Homemaker/Companionship Services and Technology Services by the Start Date. You begin providing Personal Care Services by the later of: **(i)** 90 days after the Start Date; or **(ii)** the date on which You receive any required licensure, provided that Your applications were timely filed. Before You begin providing any

services that require a license, You provide CKFI a copy of applicable licenses. You may not offer or provide Services or sell or lease Products until all of the following conditions are met: **(a)** You and Your Designated Manager have completed the required initial training; **(b)** You have at least 2 full-time employees or equivalent; **(c)** You have obtained insurance and provided a certificate of insurance to CKFI as required by Section 7.6; and **(d)** You have complied with all licensure requirements to begin offering Homemaker/Companionship Services and provided a copy of all licenses to CKFI.

7.2.3 Office. You must open Your Office, which must be in commercial office or retail space in Your Territory, by the Start Date. Unless permitted by CKFI, You may not establish a Satellite Unit or an additional Office in Your Territory. You must ensure that CKFI at all times has the current address and telephone number of Your Office and, if applicable, Satellite Unit. If You relocate Your Office or Satellite Unit or if You close Your Satellite Unit, You must advise CKFI of the planned relocation or closure and, for a relocation, the new address and telephone number, at least 5 days in advance. You may not use Your Office for any purpose other than the operation of Your Franchised Business. The furniture, fixtures, and décor of Your Office must at all times be professional, clean, and in good condition. If CKFI notifies You that, in its reasonable judgment, the condition or site of Your Office or Satellite Unit materially damages the goodwill associated with the Marks, You must relocate Your Office or Satellite Unit within 60 days. If CKFI and You are parties to more than one Franchise Agreement, You only need to have an Office in a contiguous Territory (other than a Territory in a New York City Borough) in which You operate under another Franchise Agreement.

7.2.4 Compliance with Manual. You acknowledge and agree that the requirements imposed by this Agreement and by the Manual are necessary to promote high and uniform standards of quality of Services and Products provided by Franchisees and to promote and maintain the goodwill associated with the Marks, the System, and the Network. You must operate Your Franchised Business in complete compliance with the Standards. CKFI may periodically change the Standards which may necessitate, among other things, the purchase of software, equipment, supplies, furnishings, or other goods and completion of additional training by You or Your employees. You must promptly conform to the modified Standards at Your own expense. If there is a dispute as to the requirements of the Manual, the terms of the master copy of the Manual maintained by CKFI (regardless of format or medium) will control.

7.2.5 Services and Products Offered. You may offer and provide to Your Clients, Care Recipients, and Subscribers only the Services that CKFI has authorized You to provide. You must obtain all required licenses. You must offer and provide all Core Services as defined by CKFI.

(a) Following CKFI's express written consent, which it may withhold in its sole judgment, and Your execution of an Additional Services Addendum and any related documents required by CKFI, You may also provide those Additional Services described in the Additional Services Addendum. In addition, You may also provide such ancillary services as CKFI may approve in the Manual. As CKFI modifies the System, CKFI may designate as Core Services new Services related to the System or certain Services that were formerly Additional Services, and You agree that You will offer and provide those Core Services within 90 days following CKFI's notice or that longer period as CKFI may permit. Except as set forth in this Section 7.2.5, You may not

offer or provide any other services. You may not provide Services through an independent contractor or any Person other than an employee except for licensed medical professionals supervising or training employees providing Personal Care Services or authorized Additional Services as permitted by CKFI.

(b) You may only offer, sell or lease the Products that CKFI has approved for You to offer, sell or lease. If You offer, sell or lease Technology Services or Equipment, You must do so only in accordance with the Manual unless CKFI otherwise permits in writing.

(c) CKFI may require You to offer Services or Products under the terms of an NKA Agreement. With respect to any NKA Agreement that CKFI does not designate as mandatory, You will be deemed to have agreed to participate, and must provide the required Services or Products, unless You notify CKFI otherwise in writing. If You choose not to participate, CKFI may authorize other Franchisees to serve NKA Clients in Your Territory, as provided in Sections 4.2.2(b) and 4.2.3(d). CKFI may designate participation under an NKA Agreement as mandatory following 15 days' notice.

7.2.6 Sourcing.

(a) CKFI is a designated supplier of Technology Services and Equipment and You must purchase all Equipment and Technology Services from CKFI or an approved third party. CKFI may revise the terms and conditions of the sale and price of Equipment and Technology Services following 60 days' notice.

(b) CKFI may in its discretion, limit the number of approved suppliers, designate sole sources that You must use for some or all items or services, and refuse permission to use other suppliers. CKFI may at any time withdraw its designation or approval of a supplier. CKFI and its Affiliates may be approved or designated suppliers and they may, and have the right to, realize a profit on any items or services they supply to You. If CKFI designates any approved or sole suppliers, You must use those suppliers.

(c) If You would like to purchase an item or service from a supplier not previously approved by CKFI, You must obtain CKFI's prior written consent and, upon CKFI's request, give CKFI the supplier's contact information. Within a reasonable time (not to exceed 30 days), CKFI will advise You whether it has approved the supplier or provide its reasons for withholding approval. As a condition of approving a supplier of any product that bears the Marks, CKFI may require that the supplier execute CKFI's license agreement.

(d) CKFI may appoint a single manufacturer, distributor, reseller or other vendor for any particular item or service, including CKFI and its Affiliates. CKFI may also establish strategic alliances or preferred vendor programs with suppliers. CKFI does not represent that these alliances or programs will provide any specific Franchised Business with the lowest cost items or services available to that Franchised Business or that any individual Franchised Business will benefit proportionately from any such alliance or arrangements.

(e) If CKFI identifies specifications for items or services in connection with Your Franchised Business, You must purchase only items or services that meet those specifications.

(f) CKFI has the right to collect Allowances offered by suppliers to CKFI based on Your purchases of products and other goods and services but CKFI must either, at its option, apply the Allowances to reducing costs of goods and services to all Franchisees as a group or contribute the Allowances to the Brand Fund. The following Allowances are not subject to the preceding sentence and may be retained by CKFI: **(i)** meals or other events sponsored by suppliers at meetings of Franchisees; and **(ii)** complimentary or upgraded rooms and similar concessions provided by a meeting facility for CKFI staff at meetings of Franchisees.

(g) CKFI expressly disclaims any warranties or representations as to the condition of the goods or services sold by suppliers, including, without limitation, expressed or implied warranties as to merchantability or fitness for any intended purpose. You will look solely to the manufacturer of goods or the supplier of services for the remedy for any defect in the goods or services.

7.2.7 Client Satisfaction Program. Your Franchised Business' dealings with Clients and Care Recipients must adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. Your Franchised Business must at all times give prompt and courteous service to Clients, Care Recipients, Subscribers and Customers and, as required by the Standards, must respond timely to inquiries and requests for service from prospective Clients and Subscribers. CKFI may contact Your past and present Clients, Care Recipients, Subscribers, and Customers to assess Your Franchised Business' performance. If Your Franchised Business' scores do not meet the then-current Standards, CKFI may suggest ways You can improve the scores. You must immediately take steps to bring Your Franchised Business' operation up to the Standards.

7.2.8 Required Computer and Technology Systems.

(a) You must purchase or lease and maintain at Your expense computer and technology hardware and software systems (including data collection software and other online data collection tools, web-based programs, and software technology platforms, including the hardware necessary for their proper functioning) according to specifications or from approved or designated suppliers (including CKFI and its Affiliates). The required systems may include, among other things, the use of remote servers and web-based programs, off-site electronic information storage and DSL or other high-speed internet connections, and may include the capability for remote access and information retrieval by CKFI and for Your login to CKFI's web-based applications. CKFI may also require You to maintain a dedicated high speed internet service or connection or other communication means for remote access and information retrieval by CKFI. You must acquire, install and use the computer and technology hardware and software systems prescribed by CKFI, including any required upgrades of software and hardware and You must execute any license agreements required by CKFI.

(b) Following 60 days' notice from CKFI of the implementation of an aggregated data tool, You must participate in a defined collection process (as it may periodically be modified) and pay an annual fee. CKFI may increase this fee annually based on increased costs and technology changes upon 30 days' prior written notice from CKFI. If You own more than one Franchised Business, You will pay an annual fee for each Franchised Business for which there is an accounting software installation.

(c) Within 4 months following CKFI's announcement of an additional technology requirement, you must acquire and install all hardware, software and peripherals (including all subsequent upgrades), install all communication facilities, contract for all required support and maintenance and meet all other requirements CKFI may specify. If the anticipated cost to install and implement an improvement exceeds $2,500 per Franchised Business, the installation and implementation deadline will be extended by an additional 8 months to a total of 12 months. If the anticipated cost to install and implement the additional technology improvement exceeds $5,000 per Franchised Business, then the installation and implementation deadline will be extended to a total of 18 months from CKFI's announcement.

(d) CKFI, its Affiliates or Related Parties may condition any license of proprietary or approved third party software to You, or Your use of technology that CKFI, its Affiliates or Related Parties develop or maintain, on Your signing a software license or similar agreement. If CKFI requires You to use one or more proprietary or approved third party software technology platforms that CKFI supports, You must pay CKFI an annual fee per platform for the cost of providing technical support and of developing, maintaining and supporting the technology platforms. CKFI may change the fee per platform annually based on increased costs and technology changes upon 30 days' prior written notice from CKFI. If You own more than one Franchised Business, You will pay an annual fee for each Franchised Business for which there is separate installation, implementation, maintenance or support.

(e) You are solely responsible for, at Your expense: **(i)** acquiring, operating, maintaining and upgrading the hardware, software and technology platform; **(ii)** assuring that the specified software, hardware and technology platform interfaces at CKFI's required levels of connection speed with CKFI's or any designated third party's computer or technology system; and **(iii)** any and all consequences to Your Franchised Business if You do not properly operate, maintain, upgrade and replace any specified software, hardware and technology platform.

(f) CKFI may have access to information about Your Franchised Business and its operations (including Client Information) through software and hardware CKFI may require You to use. CKFI may access and download this information as often as it deems appropriate.

(g) If any equipment, software or computer system You use provides for electronic, online or similar remote monitoring capability, You shall, at CKFI's request, permit CKFI to monitor and download all information the equipment provides and to use the information for any lawful purposes. CKFI may access information on any web-based programs it specifies that You use and CKFI may use that information for any lawful purpose. CKFI may compile and share information You provide or CKFI accesses, but CKFI will not share any information in violation of HIPAA and CKFI will not, without Your prior consent or unless otherwise required by law, share any information in a form that identifies You or Your Franchised Business.

7.2.9 **Inspections and Quality Assurance.** CKFI will conduct periodic quality control inspections of Your Franchised Business during normal business hours without prior notice. Quality control inspections may be made by third parties, such as a "mystery shopper" service, that may record telephone calls placed to Your Franchised Business. You consent to the recording of those calls. CKFI may use other means as it deems advisable to determine if You are operating Your Franchised Business in accordance with the Standards. You must promptly correct

any deficiencies in Your operation of which CKFI advises You and take all actions necessary to bring Your operation up to the Standards.

7.2.10 **Data Protection.** You agree and undertake that You will:

(a) Comply with the provisions of all Applicable Data Protection Laws in the use and processing of Customer Personal Data.

(b) Refrain from otherwise modifying, amending or altering the contents of the Customer Personal Data or disclosing or permitting the disclosure of any of the Customer Personal Data to any third party unless required by applicable law or specifically authorized in writing by CKFI.

(c) Implement and maintain throughout the Term appropriate technical and organizational measures to protect Customer Personal Data against a Data Breach.

(d) Promptly notify CKFI in writing if You suspect there has been a Data Breach, in which event You will do all such acts and things (at Your own expense) as CKFI may require in order to remedy or mitigate the effects of the Data Breach.

(e) Promptly notify CKFI of any complaint, communication or request of which You become aware relating to the Applicable Data Protection Laws.

(f) To the extent that there are any particular circumstances in which You process Customer Personal Data as a data processor on CKFI's behalf (including, among other circumstances, for Your reporting obligations), You warrant and undertake that You will, in addition to the foregoing:

(i) Process the personal data only in accordance with written instructions from CKFI and not for Your own purposes. If You are required to process the personal data for any other purpose by any applicable law to which You are subject, You will inform CKFI of this requirement before the processing, unless that law prohibits this on important grounds of public interest.

(ii) Notify CKFI immediately if, in Your opinion, an instruction for the processing of personal data given by CKFI infringes the Applicable Data Protection Laws.

(iii) Refrain from giving access to or transfer any Customer Personal Data to any third party without the prior written consent of CKFI. If CKFI does consent, You must ensure the reliability and competence of the third party, its employees and agents who may have access to the Customer Personal Data and must include in any contract with the third party provisions in favor of CKFI that are equivalent to those in this Section and as are required by the Applicable Data Protection Laws. Where a third party fails to fulfil its obligations under any sub-processing agreement or any Applicable Data Protection Laws, You will remain fully liable to CKFI for the fulfilment of Your obligations under this Agreement.

(iv) Ensure that personnel required to access the Customer Personal Data are informed of the confidential nature of the Customer Personal Data and are subject to a binding duty of confidentiality with respect to such data.

(v) Allow CKFI and its respective auditors or authorized agents to conduct audits or inspections during the Term for the purposes of verifying that You are processing Customer Personal Data in accordance with Your obligations under this Agreement and the Applicable Data Protection Laws, which will include providing access to Your premises, resources and personnel and any sub-contractors used in connection with this Agreement.

(vi) Unless exemptions apply, maintain written records of all categories of processing activities carried out on behalf of CKFI and containing the information prescribed in the Applicable Data Protection Laws.

(vii) Appoint a data protection officer if required by any Applicable Data Protection Laws.

7.3 Minimum Performance Standards.

(a) Except as provided in Section 7.3(b), Your Franchised Business must achieve the following MPS Gross Revenue each month:

Full Calendar Months After Start Date	MPS Gross Revenue
25 to 36	$27,500
37 to 48	$31,000
49 to 60	$36,000
61 to 72	$41,000
73 or more	$46,000

(b) If this Agreement is a Start-up Agreement or a Franchise Agreement for a Franchised Business acquired through Transfer, You need not comply with the MPS requirement during the first 24 full calendar months after the Start Date.

(c) Each month while the MPS requirement applies to Your Franchised Business, CKFI will assess Your compliance with the Minimum Performance Standards by reviewing Your Gross Revenue during a rolling 3-month period consisting of the most recent month and the preceding 2 months. For example, to determine compliance for month 30, CKFI will review Your Gross Revenue for months 28, 29 and 30. CKFI will first assess Your compliance with MPS at the end of month 27 after the Start Date. So long as You fail to meet MPS, You are not in Good Standing.

(d) You must provide CKFI, within 14 days after Your receipt of notice of MPS noncompliance, a detailed business plan for meeting the MPS within the following 3 calendar months.

(e) If You fail to timely provide a business plan or if You provide a business plan but fail to meet the MPS, on average, over the following 3 calendar months, You will be in default and You must begin to pay, and thereafter continue to pay, the monthly Royalty Fee calculated as set forth in Section 6.2(a)(i) on the greater of Your actual Gross Revenue or the applicable MPS Gross Revenue until You meet the Minimum Performance Standards for at least 3 consecutive months. Payment of a Royalty Fee based on MPS Gross Revenue is not a cure of the default under this Section 7.3(e) regardless of whether CKFI has sent You a notice of default.

(f) If You own more than one Franchised Business, each Franchised Business must meet the MPS based on the Gross Revenue in its Territory (and, as applicable, an Open Area) and may not be averaged with any other Territory for the purposes of calculating the MPS.

(g) Following notice to You, CKFI may increase the above MPS Gross Revenue amounts by up to 7% each calendar year.

7.4 Personnel.

7.4.1 Management. You or Your Designated Manager must devote all of Your or his or her productive time and effort required and necessary for the productive and successful management and operation of Your Franchised Business and to the promotion of Services within Your Territory. Your Franchised Business must be supervised by an individual who has completed the initial training program to CKFI's reasonable satisfaction. For each Office that You operate, You must appoint a Designated Manager, which can be You or another individual who has completed the initial training program to CKFI's reasonable satisfaction; however, overall supervision of each Franchised Business must be provided by You (if You are an individual) or a Related Party who holds more than a 10% Beneficial Ownership interest in You. You must advise CKFI of the identity of Your Designated Manager. Any successor Designated Manager must successfully complete the initial training program no later than 6 months after being hired.

7.4.2 Employees. You must maintain a staff of trained employees sufficient to operate Your Franchised Business in compliance with the Standards. You are solely responsible for, and You shall make clear to Your employees that You (and not CKFI) are responsible for, all decisions relating to Your employees, including hiring, firing, retention, promotion, wages and benefits. You must conduct background checks, as specified in the Manual, on each person working for Your Franchised Business.

7.5 Financial, Operational, and Other Information.

7.5.1 Financial Records. You must maintain the financial books and records of Your Franchised Business in the manner CKFI directs and retain those records, and all Client Agreements, for at least 7 years. You must retain Client records as required by applicable law, including HIPAA, and You must maintain other records, including caregiver and employment records, as required by applicable law.

7.5.2 Financial Reports.

(a) You must prepare and submit all reports and Financial Statements in the form and at the times CKFI requires.

(b) You must submit to CKFI, within 30 days after filing, copies of Your federal and state income tax returns or, if You are an individual Franchisee, the business portion of Your federal income tax returns.

(c) Within 120 days after the end of each fiscal year during the Term, You will provide CKFI a complete set of Your fiscal year Financial Statements. These Financial Statements need not be audited, although any Financial Statements must be prepared in accordance with generally accepted accounting principles, consistently applied, and certified as true, complete and correct by You or Your Chief Financial Officer.

(d) You will submit to CKFI, within 20 days after the end of each Fiscal Quarter, Your profit and loss statement for the preceding Fiscal Quarter. Each such statement must be in the form prescribed by CKFI and may be unaudited, but must be certified as true, complete and correct by You or Your Chief Financial Officer.

(e) You will submit to CKFI the Gross Revenue report as required by Section 6.2(b).

(f) If You are an Entity for which separate Financial Statements or tax returns are not required to be prepared (for example, You are a subsidiary of an Entity for which only consolidated Financial Statements must be prepared or tax returns must be filed), You shall provide to CKFI those books, records, separate tax schedules and work papers relating to Your assets, liabilities, and operations as CKFI may reasonably request.

7.5.3 Operational Reports and Information. Every 2 weeks, You must send CKFI duplicate copies of all new or amended Client Agreements, Plans of Care and Subscriber Agreements, including voided Client and Subscriber Agreements and voided or amended Plans of Care. You must send updated Plans of Care according to the schedule specified in the Manual. You will submit to, or make available for inspection by, CKFI such other information and reports relating to Your Franchised Business as CKFI may require in order to assure Your compliance with the Standards and this Agreement. Within 5 days after Your receipt, You will provide CKFI with a copy of any survey of Your operations conducted by any governmental licensing or oversight agency or industry group.

7.5.4 Other Reports and Information. You will submit to, or make available for inspection by, CKFI such other information and reports as CKFI may reasonably request. You will promptly inform CKFI in writing of any changes to Beneficial Ownership in You or in the Franchised Business. In addition, You will provide updated information about Your Beneficial Ownership and Your Related Parties, as well as related business and personal contact information, upon CKFI's request. You will provide all reports, data and other information required or requested by CKFI under this Agreement in the format that CKFI requires.

7.6 Insurance. Before beginning operations, You must purchase, and maintain throughout the Term, a policy or policies providing all of the following coverages:

(a) Comprehensive general liability insurance, including casualty insurance, product liability coverage and business interruption coverage, covering all Your Franchised Business' assets, personnel, and activities, including coverage for use of non-owned automobiles, with a combined single limit for bodily injury, death or property damage of at least $1,000,000 per occurrence, and $3,000,000 in aggregate (except for non-owned automobiles).

(b) Professional liability insurance with same coverage as comprehensive general liability insurance of at least $1,000,000 per occurrence and $3,000,000 in aggregate.

(c) Abuse/sexual molestation liability insurance with same coverage as comprehensive general liability insurance of at least $1,000,000 per occurrence and $3,000,000 in aggregate.

(d) Employment practices liability insurance with policy limits of at least $500,000, with defense coverage provided for CKFI as the franchisor.

(e) Cyber security insurance with coverage of at least $100,000 per occurrence.

(f) Property insurance in a minimum amount equal to the replacement value of Your interest in Your Office premises.

(g) A $50,000 surety bond, or equivalent employee theft insurance coverage, covering all employees.

(h) Worker's compensation insurance, with Part Two (employer's liability) policy limits at no less than state minimum.

(i) Any types of insurance required by applicable state law.

(j) Additional coverage as may be required by strategic partnership agreements. Insurance must name the strategic partner and its designated affiliates as additional insured. Copies of insurance policies obtained to comply with strategic partnership agreements must be provided to CKFI.

All insurance (except for the worker's compensation insurance) must name CKFI as an additional insured and must be obtained from an "A" or better rated insurance company registered in the jurisdiction or jurisdictions that include any part of Your Territory and any Open Area in which You provide Services or sell or lease Products. CKFI may increase the amounts of coverage and require different or additional kinds of insurance at any time. Each insurance policy required under this Agreement must contain a specific endorsement stating that the policy cannot be canceled without at least 10 days' advance written notice to CKFI. You must deliver a certificate of the issuing insurance company evidencing each policy to CKFI within 10 days after the policy is issued or renewed. If You fail to obtain or maintain the required insurance coverages or provide certificates of insurance evidencing required coverages to CKFI, CKFI may obtain insurance policies sufficient to meet its minimum requirements and You must promptly reimburse CKFI for the cost of the insurance premiums and its expenses. CKFI's insurance requirements are based solely on CKFI's assessment of CKFI's risk. CKFI does not warrant that the insurance coverages required by CKFI are based on an assessment of Your risk. It is Your sole responsibility to assess Your risk and determine whether You need to obtain additional types of insurance and coverage.

7.7 Financial and Legal Responsibility.

7.7.1 Compliance with Law. You must comply with all federal, state and local laws and regulations pertaining, directly or indirectly, to Your Franchised Business. You must keep current all licenses, permits, bonds and deposits made to or required by any governmental agency in connection with the operation of Your Franchised Business. CKFI may, but is not required to, advise You of any legislative or other legal developments that may affect Your Franchised Business. You are solely responsible for complying with all legal requirements relating to Your Franchised Business.

7.7.2 Payment of Indebtedness. You must pay promptly when due all taxes and debts that You incur in the conduct of Your Franchised Business.

7.7.3 Notice of Litigation. You must notify CKFI in writing within 5 days if You are served with a complaint in any legal proceeding related to Your Franchised Business (including any claim by a third party of trademark or copyright infringement) or if You become aware that You are the subject of any complaint to, or investigation by, a governmental licensing authority or consumer protection agency. You must notify CKFI in writing within 5 days after the commencement of any legal action that may adversely affect the operation or financial condition of You or of the Franchised Business.

7.8 Anti-Terrorism/Anti-Corruption Laws/Exclusions and Sanctions. You represent and warrant to CKFI that:

(a) Neither You, Your Related Parties or employees: **(i)** are identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts available at www.treas.gov/offices/enforcement/ofac/; or **(ii)** have violated any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons or entities who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act, as amended (text available at http://www.epic.org/privacy/terrorism/hr3162.html), U.S. Executive Order 13224 (text at http://www.treasury.gov/resource-center/sanctions/programs/documents/terror.pdf), or similar law. Neither You nor any of Your Related Parties will violate any such laws.

(b) You, Your Related Parties, subsidiaries, directors, employees, representatives, subcontractors and agents, to the extent applicable, shall more specifically comply with applicable laws related to anti-bribery and anti-corruption, in particular the "French law n 2016-1691 dated 9 December 2016" relating to transparency, fight against corruption and modernization of economic life (so called "*Loi Sapin II*"), the American law (US Foreign Corrupt Practices Act, 1977), the British law (United Kingdom Bribery Act, 2010), as well as the "French law n 2017-399 dated 27 March 2017" relating to the corporate duty of vigilance of mother companies" (so called "*Loi Devoir de Vigilanc*").

(c) You, Your Related Parties, employees and agents are not, and shall not at any time be, identified on any federal list of sanctioned, suspended, debarred, excluded, "opted out" or

otherwise ineligible entities and individuals (including lists maintained by the Department of Health and Human Services, General Services Administration, Office of Inspector General.

The foregoing constitute continuing representations and warranties and You must notify CKFI immediately in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading. It is Your responsibility to ascertain what actions You must take to comply with the referenced laws.

7.9 Confidential Information.

(a) You and Your Related Parties acknowledge that CKFI has developed the Confidential Information over time and at great expense, that the Confidential Information provides a competitive advantage to You and that having access to the Confidential Information is one of the primary reasons why You have entered into this Agreement. You and Your Related Parties acknowledge and agree that the covenants in this Section 7.9 are reasonable and necessary to protect the legitimate business interests of CKFI.

(b) Neither You nor any of Your Related Parties will communicate or divulge to, or use for the benefit of, any Person nor, following the Termination of this Agreement, use for Your or their own benefit, any Confidential Information that may be communicated to You or any of Your Related Parties or of which You may be apprised under this Agreement. You and Your Related Parties will disclose such Confidential Information only to those of Your employees as have a need to know such information to perform their assigned duties properly. You and Your Related Parties will take reasonable steps to prevent misuse or disclosure of Confidential Information, including protection of any password or electronic key or other device necessary to access Confidential Information or the CK Intranet. Neither You nor any of Your Related Parties will at any time copy, duplicate, record or otherwise reproduce any Confidential Information or make it available to any unauthorized Person.

(c) The covenants in this Section 7.9 will survive the Termination or Transfer of this Agreement or an interest in You or any Related Party and will be perpetually binding upon You and each of the Related Parties.

(d) Each of Your Related Parties must execute and bind themselves to the confidentiality and noncompetition covenants set forth in a Confidentiality Agreement and Ancillary Covenants Not to Compete or such other form of agreement that CKFI may use when the Person becomes a Related Party. If You are an Entity or any Related Party is an Entity, all of Your and their officers, directors, members and partners must sign a Confidentiality Agreement and Ancillary Covenants not to Compete in the form specified by CKFI. You will also require that all of Your employees who will receive or have access to Confidential Information execute and bind themselves to confidentiality in the form CKFI specifies, and You will make those agreements available to CKFI upon request.

(e) You must notify CKFI in writing within 5 days of any unauthorized use or disclosure of Confidential Information or other CKFI intellectual property and of any claim by any Person to any rights in any Confidential Information, copyright or other CKFI intellectual property.

You must not directly or indirectly communicate with any person other than Your attorney (if a claim is brought against You) and CKFI and its counsel in connection with any claim of such rights. CKFI has the sole right to determine whether any legal action should be taken and the right to direct and control any such action. You may not make any demand or prosecute any claim relating to the Confidential Information, copyright or intellectual property. You must execute all documents, render such assistance and do all acts that may, in the opinion of CKFI's counsel, be necessary or advisable to protect and maintain the interests of CKFI and its Affiliates. This Section 7.9(e) does not prohibit You from taking action against any Related Party or employee of Yours who makes unauthorized use or disclosure of Confidential Information.

7.10 Attendance at Meetings. Each year You (if You are an individual) or Your Designated Manager must attend no fewer than 2 of the following CKFI meetings: national, state, regional and local meetings; meetings of Performance Management Groups or successor groups designated by CKFI (provided You are a member of that group); and local or regional advertising co-op meetings. The meetings may, at CKFI's option, be in person, online, electronic, via teleconference, videoconference or such other means as CKFI deems advisable. You are responsible for travel and living expenses for the attendees from Your Franchised Business at any meeting.

7.11 Covenants Against Competition. You and Your Related Parties acknowledge that You and Your Related Parties will receive valuable training and Confidential Information that are beyond the present skills and experience of You and Your Related Parties and Your managers and employees. You and Your Related Parties further acknowledge that this training and Confidential Information provide a competitive advantage and will be valuable in operating and developing Your Franchised Business. Accordingly, You and Your Related Parties covenant as follows:

(a) You will not (during the Term), and each of the Related Parties will not (during the portion of the Term that each satisfies the definition of a Related Party), either directly or indirectly, for Yourself or any Related Party, or through, on behalf of, or in conjunction with any Person:

(i) Divert, or attempt to divert, any business, Client, Care Recipient or Subscriber to any competitor of any Franchised Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(ii) Own, maintain, operate, engage in, or have any financial or beneficial interest in any Competitive Business. There is no geographical limitation on this restriction.

(b) For a continuous uninterrupted period of 2 years beginning on the Commencement Date, neither You nor any of Your Related Parties will, either directly or indirectly, for Yourself or for any Related Party, or through, on behalf of or in conjunction with any Person:

(i) Divert, or attempt to divert, any business, Client, Care Recipient, or Subscriber to any competitor of any Franchised Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(ii) Own, maintain, operate, engage in, advertise, advise, assist, or make loans to, or have any financial or beneficial interest in any Competitive Business that is, or is intended to be, located in, or that offers or provides services in, or is intended to offer or provide services in any of the following geographic areas: **(A)** Your Territory; **(B)** within 10 miles from the border of Your Territory; **(C)** within, or within 10 miles of, the Territory under any other Franchise Agreement in effect on the Commencement Date; and **(D)** within, or within 10 miles of, the territory agreed upon in connection with a deposit agreement for a Franchised Business that has been signed as of the Commencement Date.

(c) You and Your Related Parties acknowledge that, during the Term, You will have operated under the Marks and that Clients will have sought Services and Products from Your Franchised Business as a result of their recognition of, and the goodwill associated with, the Marks. You also acknowledge that any and all Client Information and other customer-related information belong to CKFI as a result of their having been developed under the Marks and as part of the goodwill associated with the Marks. Accordingly, for a continuous uninterrupted period of 2 years beginning with the Commencement Date, neither You nor any of Your Related Parties will, either directly or indirectly, for Yourselves or through, on behalf of or in conjunction with any Person, contact or solicit: **(i)** any former Client, Care Recipient, or Subscriber for the purpose of providing or offering to provide any service identical or similar to any Core Services or Additional Services provided by any Franchised Business or to sell or lease any personal care technology equipment, and **(ii)** any referral source with which You or a Related Party had contact during the Term, for the purpose of obtaining a referral for the provision of any service identical or similar to any Core Services or Additional Services provided by Your Franchised Business or to sell or lease any Equipment.

(d) Sections 7.11(a)(ii) and (b)(ii) do not apply to ownership of 5% or less of stock in a publicly-held corporation, as that term is defined by the U.S. Securities and Exchange Commission, or to ownership by You or Your Related Parties of another Franchised Business.

(e) If any part of the restrictions in this Section is found to be unreasonable in time or distance, each month of time or mile of distance may be deemed a separate unit so that the time or distance may be reduced by appropriate order of the court to that deemed reasonable. If, at any time during the 2-year period beginning on the Commencement Date, You fail to comply with Your obligations under this Section, that period of noncompliance will not be credited toward Your satisfaction of the 2-year obligation. Following the resolution of any dispute regarding the enforceability of this Section that is resolved in CKFI's favor, the 2-year period (or that other period as may be deemed reasonable by the court) will run from the date of the resolution.

(f) CKFI may reduce the scope of any covenant set forth in this Section 7.11 following notice to You. You and Your Related Parties will immediately comply with any covenant as so modified, which will be fully enforceable notwithstanding any other provisions of this Agreement.

(g) The existence of any claims You or Your Related Parties may have against CKFI will not constitute a defense to the enforcement by CKFI of this Section 7.11. You and Your Related Parties agree to pay all costs and expenses (including reasonable attorneys' fees and costs) incurred by CKFI in connection with the enforcement of this Section 7.11.

(h) You and Your Related Parties acknowledge that a violation of this Section 7.11 would result in irreparable injury to CKFI for which no adequate remedy at law may be available, and You and Your Related Parties accordingly consent to the issuance of an injunction prohibiting any conduct by You and Your Related Parties in violation of the terms of this Section 7.11. You and Your Related Parties agree to pay all court costs and reasonable legal fees incurred by CKFI in obtaining specific performance, injunctive relief or any other remedy available to CKFI for any violation of this Section 7.11.

7.12 Other Obligations. You agree to fulfill all other obligations required under this Agreement and the other documents and agreements referred to in this Agreement.

7.13 General Release. You, on behalf of yourself and your Related Parties (collectively, "Releasors"), freely and without any influence forever release and covenant not to sue CKFI, its parent, subsidiaries and affiliates and their and our respective past and present officers, directors, shareholders, members, managers, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part any fact, event, conduct or omission occurring on or before the Effective Date, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Agreement and all other agreements between any Releasor and CKFI or its parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Business and the development and operation of all other Comfort Keeper businesses operated by any Releasor that are franchised by CKFI or its parent, subsidiaries or affiliates. Releasors expressly agree that fair consideration has been given by CKFI for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

Notwithstanding the foregoing, Claims arising from representations in the Comfort Keepers Franchise Disclosure Document, or its exhibits or amendments, are expressly excluded from this release.

8. ADVERTISING, BRANDING AND INTERNET

8.1 Brand Fund.

(a) You will sign the National Brand Fund Addendum ("NBF") (Attachment 6) and comply with its terms. While that Addendum is in effect, Sections 8.1(b) through (k) will not be applicable.

(b) CKFI has established the Brand Fund to promote the goodwill and public image of the System, Network and Marks and to develop brand enhancement programs and materials as CKFI deems appropriate. "Brand enhancement" includes advertising, marketing, promotions, public relations and other brand development activities and materials designed to promote the goodwill and public image of the System, Network, and Marks.

(c) You must make monthly contributions to the Brand Fund based on Your monthly Gross Revenue. Although CKFI may solicit input from an advisory body of franchisees ("National Advisory Council") in setting the contribution percentage, CKFI will, in its sole judgment, establish the amount of the monthly contribution for all Franchisees. CKFI may change the percentage contribution every 2 years. Your contribution will be no less than 1/2% of Your monthly Gross Revenue and no more than 2% of Your monthly Gross Revenue. You will make the monthly contribution to the Brand Fund by EFT, together with Your Royalty Fee. CKFI will establish the contribution percentage in advance for each 2-year period. For any Company-owned Units, CKFI will contribute to the Brand Fund on the same basis as Franchised Businesses. In addition, CKFI will match contributions by Franchisees, up to a maximum of 1% of the total Brand Fund contributions paid to the Brand Fund during the applicable period.

(d) CKFI will work closely with the National Advisory Council, but CKFI will have sole control over all activities and expenditures of the Brand Fund. Among other matters, CKFI will determine the content and the format of all brand enhancement activities by the Brand Fund, the creative concepts, materials, content, and endorsements used in these activities, and the geographic, market and media placement and allocation of all brand enhancement activities of the Brand Fund. CKFI may use any form of media for any brand enhancement activities it authorizes. CKFI will not use any part of the Brand Fund to pay for anything whose sole purpose is the marketing of franchises, but You acknowledge that the Brand Fund may pay for media, materials and programs, including one or more consumer-oriented System Websites, that may contain information about or support franchising opportunities and sales. CKFI may use the Brand Fund (including any interest that may accrue on Brand Fund contributions) to fund or pay:

(i) The costs of any purchased media time (paid advertising, also known as "media weight") in any medium (broadcast or cable television, print, radio, outdoor displays, online/digital advertising).

(ii) The costs incurred for advertising agencies, public relations agencies, and other advisors.

(iii) The costs of designing, conducting, and administering national public relations projects and events intended to enhance the goodwill and public image of the System, Network, and Marks, including participation in or joint public relations projects with CKFI Affiliates or others.

(iv) The costs of market research, including branding studies, consumer research, competitive research, and similar programs.

(v) The costs of preparing, producing and placing brand enhancement materials in any medium, including direct mail, Internet, mobile and social media advertising.

(vi) The costs associated with running a call center or providing another electronic mechanism for capturing leads generated by the Brand Fund's brand enhancement activities.

(vii) The costs of purchasing promotional items.

(viii) The costs of designing and administering national brand enhancement programs and activities, including social media programs, search engine optimization, pay per click programs, and purchasing media advertising.

(ix) The costs of obtaining sponsorships and endorsements and developing alliances, marketing and sales promotions, provider relationships, customer loyalty programs and similar brand enhancement activities and programs.

(x) The costs of establishing, designing, maintaining, updating, and upgrading one or more consumer-oriented Internet, on-line, mobile and other electronic applications, including hosting, maintenance, web-optimization, search engine marketing, and similar costs (provided, however, that CKFI will be responsible for development, hosting, maintenance, and optimization costs associated with maintaining, at its current or similar functionality, the website at www.comfortkeepers.com).

(xi) All administrative costs associated with the Brand Fund.

(xii) The costs of such other national brand enhancement activities as CKFI may deem advisable.

The Brand Fund may pay CKFI Affiliates for any services or products they provide in connection with the activities and operations listed above.

(e) CKFI may use collection agents and bring legal proceedings at the Brand Fund's expense to collect Brand Fund contributions. CKFI may forgive, waive, settle and compromise all claims by or against the Brand Fund, including, in its sole judgment, claims involving individual Franchised Businesses. CKFI assumes no liability or obligation to You for collecting amounts due to, maintaining, directing, or administering the Brand Fund. You will reimburse the Brand Fund for any costs (including legal fees) incurred in collecting Brand Fund contributions You have not paid. Any claim You have related to the Brand Fund must be brought separately from any claim unrelated to the Brand Fund.

(f) Administrative costs of the Brand Fund include, and CKFI may reimburse itself for, such reasonable salary costs of CKFI's employees, and such administrative and overhead costs and expenses, as CKFI may incur in activities reasonably related to the administration of the Brand Fund and its brand enhancement programs and activities.

(g) CKFI may administer the Brand Fund as a segregated fund or it may cause the Brand Fund to be incorporated or operated through an entity separate from CKFI. The Brand Fund will not be deemed a trust and CKFI has no fiduciary obligation to You with respect to the Brand Fund. The Brand Fund will indemnify and hold harmless CKFI with respect to any action or decision taken with respect to the Brand Fund, including any claims brought by third parties.

(h) Within 90 days after the close of CKFI's fiscal year, CKFI will prepare an unaudited statement of contributions to and expenditures by the Brand Fund during that fiscal year. CKFI will furnish that annual statement to You upon Your written request.

(i) CKFI will attempt to spend Brand Fund contributions so as to provide benefits to all participating Franchised Businesses, but CKFI has no obligation to ensure that expenditures by the Brand Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Fund by Franchised Businesses operating in that area or that any Franchised Business, including Yours, will benefit in any manner directly or in proportion to its contribution to the Brand Fund.

(j) CKFI may spend in any fiscal year an amount greater or less than the aggregate contribution of all Franchised Businesses to the Brand Fund in that year. CKFI may borrow money on behalf of the Brand Fund from any source and CKFI may advance monies to the Brand Fund, charge the Brand Fund interest on those advances at 1% above the prime rate then designated by any major bank CKFI selects, and authorize repayment of the advances from the Brand Fund. CKFI will retain in the Brand Fund for future use any amounts that are not disbursed in a given fiscal year.

(k) CKFI may terminate the Brand Fund at any time. If CKFI does so, You and CKFI must continue to make Your and its respective Brand Fund contributions until all loans and other outstanding financial obligations of the Brand Fund (whether to CKFI or others) have been paid. If there are any funds remaining in the Brand Fund, CKFI will return contributions to then-current franchisees, to then-existing Company-owned Units, and to itself on a pro rata basis based on contributions during the prior 12 months.

(l) You consent to the recording of any calls that may be made or forwarded to Your Franchised Business by any call center or call forwarding operation that captures leads generated by the NBF or by the Brand Fund. You will obtain the written consent to record of all persons who may answer the Franchised Business' telephone lines and that CKFI and any authorized third party recording those calls may rely on your undertaking.

8.2 Other Marketing Programs. CKFI may establish other marketing and sales programs, client loyalty programs and similar programs or activities as CKFI deems appropriate. These may be local, regional or national or based on the market orientation of the Franchised Businesses, and they may include participation by facilities other than CKFI. CKFI may require You to participate in these programs and activities and You may incur program-related expenses or accept a uniform fee schedule (which may include discounted fees).

8.3 Cooperative Advertising Program. This Section 8.3 will not be applicable while the NBF is in effect. CKFI may create a Cooperative Advertising Program under which the Franchised Businesses located in a particular geographic area or region will be part of an Advertising Cooperative. CKFI has the right to: **(a)** determine the area covered by an Advertising Cooperative; **(b)** designate which Franchisees will be members of a particular Advertising Cooperative; **(c)** instruct members of an Advertising Cooperative to allocate all or any portion of their local advertising budgets to the Advertising Cooperative; **(d)** make a contribution to any Advertising Cooperative without any obligation to make an equal, or any, contribution to all Advertising Cooperatives; and **(e)** delegate to an Advertising Cooperative the power to self-administer the advertising used by that Advertising Cooperative. CKFI may require that You participate in an Advertising Cooperative when established in an area including Your Territory. You agree to participate in any Advertising Cooperative according to the then-current rules and procedures

under the Cooperative Advertising Program and to abide by the decisions made by CKFI under the Cooperative Advertising Program and, if applicable, the decisions made by an Advertising Cooperative of which You are a member. Any amounts You pay in connection with Your participation in an Advertising Cooperative will count toward the amount You must spend on local advertising each month under Section 8.4.

8.4 Local Advertising. You must spend each month the greater of $1,000 or 2% of Gross Revenue on local advertising that conforms to Standards and that CKFI has approved. CKFI may change Your local advertising obligation each year by the change in the CPI. At CKFI's request, You must submit copies of invoices for local advertising expenditures showing compliance with this Section 8.4. Advertising expenditures in excess of the required minimum in any month may be used to offset shortfalls in any later month if the total advertising expenditures at the end of each calendar quarter, on a cumulative basis, equal or exceed the required minimum for that calendar quarter. All advertising and promotions by You will be conducted in a dignified manner and will conform to the Standards. You may not direct advertising outside of Your Territory without CKFI's prior written consent.

8.5 Advertising Materials. You will submit to CKFI copies of all advertising materials not provided by CKFI and sample runs of all proposed online and offline advertising at least 3 weeks before first use. CKFI will review the materials and will notify You within 14 days whether it approves or rejects them. CKFI may not withhold its approval unreasonably. CKFI may withdraw its approval of previously approved advertising if necessary to make the advertising conform to changes in the System (including changes to Standards) or to correct unacceptable features of the advertising and You must immediately cease to use the disapproved materials. CKFI may require You to submit a tear sheet of any advertisement You run.

Copyrights to all advertising and promotional materials that contain any of the Marks are owned by CKFI, regardless of the party that created the materials. You will execute all documents required by CKFI to confirm this ownership. CKFI may require that any third party assisting You with advertising efforts sign a license agreement governing the third party's use of the Marks.

8.6 CK Intranet. CKFI has established the CK Intranet and may discontinue the CK Intranet without liability to You. CKFI will establish Standards for the use of the CK Intranet with which You will comply. As administrator of the CK Intranet, CKFI can access all posted communications which are CKFI's property. If You are not in Good Standing or if You fail to comply with any Standards governing the CK Intranet, CKFI may suspend Your access to all or any aspect of the CK Intranet until You fully cure the breach. Information on the CK Intranet is Confidential Information and subject to Your confidentiality obligations under this Agreement.

8.7 Websites and Electronic Media.

(a) CKFI has established the CK Website and will control its design and contents, except that CKFI will configure the site to accommodate the pages described in Sections 8.7(b) and (c). CKFI may discontinue the CK Website without liability to You.

(b) CKFI will establish a Franchised Business locater page on the CK Website and will post the address, telephone number and email address of each Franchised Business on the locater page.

(c) At Your request, CKFI will include on the CK Website one or a series of interior pages devoted to information about You and Your Franchised Business. You must develop the pages at Your expense in accordance with CKFI's specifications and subject to CKFI's approval. CKFI may also require You to use a designated or approved supplier of website services to design Your interior pages. You may not modify Your pages except in coordination with CKFI's Webmaster and in compliance with the Standards. CKFI may assign a sub-domain name to the interior pages for Your Franchised Business; CKFI will own and control the sub-domain name and any other URLs incorporating any of the Marks (or the letters "CK") that it may permit You to use and may change the sub-domain name and those URLs at any time.

You may, with CKFI's prior written approval, create and maintain a separate landing page for pay-per-click advertising that exists on a separate domain. This page may not be visible to search engines so that it does not compete with the main Comfort Keepers website, the Franchised Business website or any other website maintained by CKFI. You may develop your landing pages at your expense, using one of CKFI's designated vendors and in accordance with the Standards.

You may not to create separate profiles on any of CKFI's properties owned by third-party companies such as Google My Business or any other similar listing and directory services. You or your vendor may seek permission from CKFI to gain access to only manage these profiles.

(d) You may not establish any Websites, blogs, social networking sites or social media sites, file a tradename designation or register any domain names that use or create any association with the Marks, System or Network without CKFI's prior written consent. You may not post any advertisements, material, or content on the Internet or Worldwide Web that depict or display the Marks or create an association with the System or Network without CKFI's prior written consent. CKFI may, in its sole judgment and on those terms as it may establish, permit You to own domain names or URLs for Websites or social media sites that have content related to, or creating an association with, the System or the Network.

(e) If You are not in Good Standing or You fail to comply with the Terms of Use governing the CK Website, CKFI may remove Your interior pages from the CK Website and remove Your Franchised Business from the Franchised Business locater page until You fully cure the breach.

8.8 Electronic Communication.

(a) During the Term, You will establish and continually maintain electronic connection with the CK Intranet via a computer system, a technology platform (as described in Section 7.2.8) or by those other means as CKFI periodically may specify.

(b) You acknowledge that electronic communication is a rapidly developing field and that, to maintain the competitive position of the System, CKFI may modify the way Franchisees use the Internet and may communicate these modifications through amendments to the Manual.

(c) You may not use any of the Marks on or in connection with the Internet, except as permitted by Section 8.7(c). You may not use any part of the Marks (including the initials "CK") in an email address.

(d) You must identify Your Franchised Business by the email address which CKFI may periodically designate. You may not use any other email address, any Website or any similar electronic address or location to identify or communicate on behalf of Your Franchised Business without CKFI's prior written consent. CKFI may at any time change the email address it has assigned to Your Franchised Business. You and CKFI will use that email address, and no other, to communicate via email. CKFI owns all email addresses it assigns to Franchisees.

9. RELATIONSHIP OF PARTIES

9.1 Interest in Marks and System. You may not take any action that contests or impairs CKFI's interest in its Marks or the System. You have no rights in the System or the Marks except the right to use them as expressly permitted by this Agreement. CKFI retains the right to grant other Franchises or licenses to use the Marks and System upon any terms that CKFI wishes.

9.2 Improvements. All Improvements that You, any of Your Related Parties or any of Your employees or agents makes or suggests is the property of CKFI, regardless of Your or their participation in developing the Improvement. All Improvements will be deemed works-made-for-hire for CKFI, will be deemed assigned to CKFI, and will, at CKFI's option, become part of the System. You will, and You will cause Your employees and Related Parties to, execute any documents CKFI requests and give CKFI assistance to perfect or protect all of its intellectual property rights in any Improvement without compensation.

9.3 Independent Status.

(a) You are an independent legal entity and must make this fact clear in Your dealings with suppliers, lessors, government agencies, employees, clients and others. You will rely on Your own knowledge and judgment in making business decisions, subject only to the requirements of this Agreement.

(b) You: **(i)** will not hold Yourself out as an employee, partner, shareholder, joint venturer or representative of CKFI; **(ii)** will not state or suggest that You have the right or power to bind CKFI or to incur any liability on CKFI's behalf; **(iii)** will at all times provide the highest quality service to each of Your Clients and Care Recipients; **(iv)** are solely responsible for providing Services and Products to Clients and Care Recipients; and **(v)** agree that CKFI will not, and has no ability to, oversee or supervise any aspect of Your provision of Services and Products to Clients, Care Recipients, Subscribers and Customers.

9.4 Display of Disclaimers. You will identify Yourself as the Franchisee for the Franchised Business in conjunction with any use of the Marks, including on business cards, payroll records, bank accounts, invoices, order forms, stationery, receipts, contracts and other business forms, as well as at those conspicuous locations in Your Office designated by CKFI. The identification will specify Your name, followed by the phrase "DBA Comfort Keepers®" or such other identification that CKFI approves.

9.5 Indemnification.

(a) You agree to defend, indemnify, and hold the Indemnified Parties harmless from and against, and to reimburse the Indemnified Parties for, any and all Losses and Expenses that the Indemnified Parties may sustain or incur in connection with any claim, demand, investigation, or formal or informal inquiry (regardless of whether the same is reduced to judgment) or any settlement of any of the foregoing that arises directly or indirectly from, as a result of, or in connection with: **(i)** any act or failure to act by You, any of Your Related Parties, any of Your employees or any person controlled by You or under contract with You; **(ii)** the operation of Your Franchised Business; **(iii)** any breach of this Agreement or any document executed pursuant to this Agreement, in connection with this Agreement, or concurrently with it; **(iv)** any breach of Your representations and warranties or those of any of Your Related Parties; **(v)** any death or personal injury or property damage occurring at, or related to the operation of, Your Franchised Business; and **(vi)** any violation of any law, rule, regulation or ordinance relating to the Franchised Business by You, any of Your Related Parties or any of Your employees. Each of the foregoing is an "Event." Your obligation to indemnify applies regardless of whether any claim resulted from any strict or vicarious liability imposed by law on any of the Indemnified Parties. You have no obligation to indemnify an Indemnified Party for any liability arising from that party's gross negligence unless there is a finding of joint liability, in which case Your indemnification obligation will extend to any finding of comparative negligence or contributory negligence attributable to You or any of Your Related Parties, employees or agents. You must give CKFI notice within 5 days of any Event of which You are aware for which indemnification is required.

(b) You must immediately undertake the defense of any legal action against or involving any of the Indemnified Parties and must retain reputable, competent and experienced counsel to represent the interests of the Indemnified Parties. You must notify CKFI of the identity of counsel not less than 48 hours before retaining counsel and CKFI will have the right to approve or disapprove counsel. You may not settle any legal action without the prior written consent of each Indemnified Party named in the action and CKFI. At Your expense and risk, CKFI may elect to assume (but under no circumstance is CKFI obligated to undertake) the defense and settlement of the Event, provided that CKFI will seek Your advice and counsel. Any such assumption by CKFI will not modify Your indemnification obligation. CKFI may take those actions CKFI deems necessary and appropriate to investigate, defend or settle any Event or take other remedial or corrective actions with respect to the Event as may be, in CKFI's sole judgment, necessary for the protection of the Indemnified Parties, the System and the Network. In addition, any of the Indemnified Parties will have the right to retain independent counsel and to participate in the defense, compromise or settlement of the action. Neither CKFI nor any other Indemnified Party will be required to seek recovery from third parties or otherwise mitigate their Losses and Expenses to recover the full amount of their respective indemnified Losses and Expenses from You.

(c) If You have timely notified CKFI of a claim involving the Marks as required by Section 7.1.3 and if You comply with the other requirements of that Section, CKFI will indemnify, defend and hold You harmless from all expenses and liabilities arising from or connected to a claim that Your operation of Your Franchised Business in strict accordance with this Agreement infringes the trademark or service mark rights of a third party. CKFI has the right to settle or pursue any such action terms as it determines.

10. TRANSFER

10.1 Conditions for Approval of Transfer. CKFI's grant of this Franchise is made in reliance upon Your integrity, ability, experience and financial resources, if You are an Individual, and those of Your Related Parties, if You are an Entity. No Transfer may be made unless You have first obtained CKFI's written consent. To ensure that no Transfer jeopardizes the Marks, the Network or CKFI's interest in the successful operation of Your Franchised Business, CKFI will consent to a Transfer only if CKFI has met with the prospective transferee, received and accepted the terms and conditions of the proposed Transfer and You and the transferor, as required by CKFI, have complied with the provisions of Sections 10.2, 10.3, 10.4 and 10.7 as determined by CKFI in its sole judgment.

10.2 Notice of Proposed Transfer. For any proposed Transfer, You must submit to CKFI: **(a)** the then-current form of franchisee application, including any required attachments, completed by the prospective transferee; **(b)** a written notice describing the terms and conditions of the proposed Transfer; and **(c)** any other information CKFI may request in order to evaluate the proposed Transfer and the proposed transferee.

10.3 Consent by CKFI. The prospective transferee must travel to CKFI's headquarters (currently, Irvine, California) as part of the consent to Transfer process. Unless a prospective transferee's travel schedule requires a longer time, CKFI will respond in writing to Your written notice: **(a)** within 30 days after receiving it; or **(b)** if CKFI requests additional information, within 15 days after receipt of the additional information. CKFI may either consent to the Transfer, tell You the reason for refusing consent or exercise its right of first refusal as set forth in Section 10.7. Silence may not be construed as consent. If CKFI consents to the Transfer, then, upon payment of the Transfer Fee and execution of documents evidencing the Transfer as CKFI requires, You may Transfer the interest described in the notice only to the named transferee and only upon the terms and conditions stated in the notice. Consent by CKFI to a particular Transfer will not constitute consent to a subsequent Transfer and CKFI's consent does not constitute a waiver of any claims it may have against the transferring party or a waiver of CKFI's right to demand full compliance by the transferee with this Agreement.

10.4 Conditions for Consent to Transfer. CKFI's consent will be subject to certain conditions, including but not limited to:

(a) Satisfaction of CKFI that the proposed transferee meets the character, business experience, financial responsibility, net worth and other standards that CKFI customarily applies to new Franchisees at the time of Transfer and that the proposed transferee and its affiliates are not competitors of Franchisees or CKFI.

(b) Payment of all Your accrued and pending financial obligations to CKFI and to Your trade creditors.

(c) Cure of all defaults under this Agreement and any other agreements between CKFI or its Affiliates or Related Parties and You or Your Related Parties and, if CKFI deems it advisable, Your submission to a desk audit to assure that You have met all of Your financial and other obligations to CKFI.

(d) At CKFI's option, the transferee will execute: **(i)** the then-current form of Franchise Agreement (which may include different terms, including higher fees and other amounts payable), revised to reflect the fact that the business is operational and those other agreements CKFI may require (including, for example, an Agreement and Guaranty and Confidentiality Agreement and Covenants Not to Compete in the forms then required by CKFI to be signed by those Persons identified in Section 12.15); or **(ii)** an agreement assuming all liabilities and benefits of this Agreement in a form prescribed by CKFI, together with an Agreement and Guaranty and Confidentiality Agreement and Covenants Not to Compete in the forms then required by CKFI to be signed by those Persons identified in Section 12.15, and those ancillary agreements as CKFI may require.

(e) Payment of a Transfer Fee by the transferor as provided below:

(i) The greater of $5,000 or 2% of all consideration of any kind payable to the transferor, to You or to any of Your or the transferor's relatives, Affiliates or Related Parties in connection with the Transfer of 10% or more of Beneficial Ownership in You, in the Franchised Business or in this Agreement. If the Transfer is to a Person who does not already have Beneficial Ownership Interest in You and that Transfer, together with all simultaneous, contemporaneous, or previous Transfers (regardless of whether the Transfers are related or are to the same Person), results in a cumulative change in Beneficial Ownership of 10% or more in You, in the Franchised Business or in this Agreement, the Transfer Fee will not exceed $25,000 ("Cap"). For the simultaneous or concurrent Transfer of all or the majority of Beneficial Ownership in You or in this Agreement and in one or more other Franchisees or Franchised Businesses, the Transfer Fee will not exceed the Cap. CKFI may, following notice to You, annually change the Cap by up to the change in the CPI.

(ii) No Transfer Fee is payable if: **(a)** The Transfer is of less than 10% of Beneficial Ownership in You, the Franchised Business or in the rights and obligations under this Agreement; **(b)** the Transfer is between existing holders of Beneficial Ownership in You, the Franchised Business or this Agreement, none of whom will cease to have, as a result of the Transfer, Beneficial Ownership in You, in this Agreement, and in the Franchised Business; **(c)** the Transfer is to a member of the Immediate Family of the transferor, is of less than a majority of Beneficial Ownership in You, the Franchised Business or in the rights and obligations under this Agreement, and takes place at the time of renewal of this Agreement; or **(d)** the Transfer is to a retirement vehicle where one or more of the existing holders of Beneficial Ownership in You, the Franchised Business or this Agreement are the only beneficiaries and the Beneficial Ownership of the Entity immediately following the assignment is the same and in the same proportions as the Beneficial Ownership in the Franchised Business immediately before the assignment.

(iii) The Transfer Fee is $500 if: **(a)** the Transfer is to a member of the Immediate Family of the transferor, unless otherwise provided in this Section; or **(b)** the Transfer involves only the Transfer of ownership interests to one or more existing owners in You, this Agreement or the Franchised Business by one or more transferors who will cease to have, as a result of the Transfer, Beneficial Ownership in You, in this Agreement and in the Franchised Business.

(iv) In addition to the Transfer Fee, the transferor must pay the amount of any broker, referral agent or similar fee or commission that CKFI must pay in connection with the Transfer ("Broker Amount"), regardless of whether CKFI or the broker/referral agent provided the name of the Person to whom the Transfer was made. The Broker Amount is not included in, the Cap. The transferor is responsible for confirming with CKFI whether a Broker Amount is payable in connection with a Transfer. Failure to do so will not relieve the transferor of its obligation to pay the Broker Amount.

(f) Completion by the transferee of the initial training program to CKFI's satisfaction.

(g) Your and Your Related Parties execution of a general release of claims in favor of CKFI and its Related Parties and Affiliates.

10.5 Changes of Ownership Considered Not To Be Transfers. An assignment to an Entity will not be considered a Transfer if: **(a)** the Beneficial Ownership of the Entity immediately following the assignment is the same and in the same proportions as the Beneficial Ownership in the Franchised Business immediately before the assignment; **(b)** at least 10 days before the assignment, You submit to CKFI the information it requires on the identity of the shareholders or other interest holders and officers of the Entity, the percentage of Beneficial Ownership, other organizational documents requested by CKFI, and the address where Entity records are maintained; and **(c)** You execute a document, in the form required by CKFI, evidencing the assignment and the Entity's assumption of this Agreement. No such assignment will relieve You or any other assigning Persons of any of their respective obligations under this Agreement or any related agreements.

10.6 Transfer Upon Death or Disability. If You or any of Your Related Parties that holds any Beneficial Ownership interest in You dies or becomes Permanently Disabled, the applicable heirs, beneficiaries or other personal representatives will have 60 days to demonstrate to CKFI's satisfaction that he or she meets the criteria that CKFI then requires of new Franchisees. If CKFI approves the Transfer, CKFI will waive the Transfer Fee; however, all other requirements of Sections 10.2, 10.3, and 10.4 will apply. If CKFI does not approve the Transfer, the heirs, beneficiaries or other personal representatives will have an additional 120 days to find a qualified transferee and notify CKFI of a proposed Transfer to that transferee as required by Sections 10.2, 10.3, and 10.4. If they do not advise CKFI of a proposed Transfer to a qualified transferee in that period, this Agreement will automatically terminate at the end of that period. If the parties disagree as to whether a person is "Permanently Disabled," the determination will be made by a licensed practicing physician, selected by CKFI, following examination of the person. If the person refuses to submit to an examination, the person automatically will be considered Permanently Disabled as of the date of refusal.

10.7 Right of First Refusal. If You or any of Your owners desire to Transfer a controlling interest in You, in this Agreement or in the Franchised Business, You or that owner must first obtain a written bona fide offer from a legitimate purchaser and provide an exact copy of that written offer to CKFI. CKFI may request further information concerning the offer and the proposed transferee. CKFI has the right to acquire that interest on the same terms and conditions contained in the bona fide offer within 15 days after CKFI's receipt of all requested information, and may assign its right to a CKFI Affiliate or another Person. If CKFI cannot reasonably be

required to furnish the same consideration, terms and conditions, then CKFI may purchase, for the reasonable equivalent in cash, the interest that is proposed to be transferred. If the parties cannot agree within a reasonable time on the reasonable equivalent, the parties will use an independent appraiser selected by CKFI and that appraiser's determination will be binding. Closing will take place within 90 days following the later of CKFI's notice or receipt of the appraiser's determination.

If CKFI does not exercise its right of first refusal, the proposed transferor may Transfer its interest only in compliance with Sections 10.2, 10.3 and 10.4. If the proposed Transfer does not take place within 3 months, then CKFI will again have a right of first refusal. If there is a material change in the terms of an offer prior to closing, CKFI may, at its sole option, treat the change as a new offer subject to CKFI's right of first refusal. Failure by CKFI to exercise its right of first refusal is not a waiver of any provision of this Agreement.

10.8 Public and Private Offerings. You and anyone holding Beneficial Ownership interest in You may make a public or private offering of ownership or financial interests in You only with CKFI's prior written consent. Prior to the time that any public or private offering is made available to potential investors, You, at Your expense, must deliver to CKFI a copy of the offering documents. You, at Your expense, also must deliver to CKFI an opinion of Your legal counsel (addressed to CKFI and in a form acceptable to CKFI) that the offering documents properly use the Marks and accurately describe your relationship with CKFI and its Affiliates. The indemnification provisions of Section 9.5 will also include any Losses and Expenses incurred by CKFI and CKFI's Affiliates in connection with any statements made by or on behalf of You in any public or private offering.

10.9 Assignment by CKFI. CKFI may assign its interest in this Agreement, any rights or obligations created by it, any or all ownership interests in CKFI and all or substantially all of the CKFI's assets at any time without Your consent. CKFI will require the assignee of this Agreement to undertake to assume CKFI's obligations to You under this Agreement.

10.10 Security Interests. You may not grant any security interest in any of Your assets unless You have CKFI's prior written consent and unless the secured party agrees that, in the event of any default by You under any documents related to the security interest, CKFI will have the right to purchase the rights of the secured party upon payment of all sums then due to the secured party.

11. TERMINATION OF FRANCHISE

11.1 Termination by CKFI.

11.1.1 Notice of Default. You will be in default under this Agreement and CKFI may terminate this Agreement upon the occurrence of any of the defaults set forth in Section 11.1.2. Termination will be effective 30 days after Your receipt of written notice of default if any of the defaults described in subsections (a) through (f) below has not been cured; termination will be effective 5 days after Your receipt of written notice of default if any of the defaults described in subsection (g) below has not been cured; termination will be effective 10 days after Your receipt of written notice of default if any of the defaults described in subsections (h) through (j) below have not been cured; and termination will be effective immediately upon Your receipt of written notice of default if any of the defaults described in subsections (k) through (u) below occurs.

11.1.2 Events of Default.

(a) You fail to submit to CKFI in a timely manner any information or report You are required to submit; You fail to provide CKFI a signed copy of a Confidentiality Agreement and Ancillary Covenants Not to Compete in the form specified by CKFI for each of Your Related Parties, directors, officers, and Designated Managers, within 10 days after each assumes that status with You; or You fail to obtain signed confidentiality agreements from Your employees who will have access to Confidential Information.

(b) You (and, as applicable, Your Designated Manager) do not successfully complete initial training, do not attend additional required training or You fail to operate Your Franchised Business in accordance with this Agreement and the Manual.

(c) You fail to offer all Core Services or You offer or provide services or sell products that have not been authorized by CKFI.

(d) You fail to attend at least 2 Franchisee meetings per year as required by Section 7.10.

(e) You fail to perform required background checks on Your employees, as specified in the Manual.

(f) You and any of Your Related Parties defaults in the performance of any other material obligation, or breach any material provision, under this Agreement or any other agreement (including any other Franchise Agreement) with CKFI or its Related Parties or Affiliates.

(g) You fail to timely make any payment to CKFI or a CKFI Affiliate or Related Party or You fail to maintain the insurance required by Section 7.6.

(h) You fail to obtain, or lose, any license or permit required by any governmental agency in connection with any Core Service and you continue to offer that Core Service in Your Franchised Business.

(i) You remain in default beyond the applicable cure period, if any, under any agreement with any vendor or supplier to Your Franchised Business.

(j) Any Person who has signed the Agreement and Guaranty of Related Parties becomes insolvent, files for bankruptcy, or has filed against him/her/it a petition in bankruptcy or similar proceeding and, within 10 days thereafter, a substitute guarantor acceptable to CKFI has not signed the Agreement and Guaranty of Related Parties.

(k) You or any of Your Related Parties misuses the Marks or the System or engages in conduct that reflects negatively and unfavorably on the goodwill associated with them or uses any of the Marks (or any part of them) in connection with a business that is not a Franchised Business; You use in Your Franchised Business any names, marks, systems, logotypes or symbols that CKFI has not authorized You to use; or You fail to relocate Your Office within 60 days after CKFI notifies You that the location or condition of Your Office damages the goodwill associated with the Marks.

(l) You or any of Your Related Parties, directors, or officers violate the confidentiality covenants contained in Section 7.9.

(m) You or any of Your Related Parties, directors, or officers violates Section 7.11(a) or You or any of Your Related Parties effects, or makes any attempt to effect, a Transfer not authorized by this Agreement.

(n) You or any of Your Related Parties has made a material misrepresentation in connection with the acquisition of Your Franchised Business or to induce CKFI to enter into this Agreement, knowingly has submitted a false report or information to CKFI or any of its Related Parties, knowingly maintains false books or records relating to Your Franchised Business or You, or breaches Section 7.8.

(o) You act without CKFI's prior written consent in regard to any matter for which CKFI's prior written consent is required by this Agreement.

(p) You abandon Your Franchised Business, disconnect the business telephone service for Your Franchised Business, or You otherwise cease to actively operate Your Franchised Business for a period of 3 consecutive Business Days.

(q) You fail to correct a breach of this Agreement (including failure to satisfy the Standards) after twice being requested in writing (regardless of whether the request is a formal notice of default) by CKFI to correct the same breach in any 12-month period.

(r) You fail to correct a breach of this Agreement (including failure to satisfy the Standards) after CKFI has given You notice of default under this Agreement (regardless of whether the breaches are under the same or different provisions) twice in any 12-month period or 3 times in any 24-month period, even if the prior breaches were cured.

(s) CKFI determines that the operation of Your Franchised Business poses a threat to public health or safety.

(t) You or any of Your Related Parties are convicted of a felony, a crime of moral turpitude or any criminal misconduct that may, in CKFI's sole opinion, negatively impact the operation of Your Franchised Business or damage the goodwill associated with the System or the Marks.

(u) You or any of Your Related Parties is party to a Franchise Agreement that has been terminated for default.

(v) You, more than once during the Term, breach this Agreement by agreeing to provide, or by providing, Services to a Client or Care Recipient or leasing or selling Equipment or Products in another Franchisee's Territory without that Franchisee's prior written permission or without CKFI's prior written consent;

This Agreement will automatically terminate if You become insolvent, are unable to pay Your debts as they become due, make any assignment for the benefit of creditors, are adjudicated

a bankrupt, or file or have filed against You a petition in bankruptcy, reorganization or similar proceeding that is not dismissed within 30 days.

11.2 Termination by You. If You are in full compliance with this Agreement, You may terminate this Agreement if CKFI fails to take reasonable steps to attempt to cure (regardless of whether such attempts have been successful) a material breach of this Agreement within 60 days after CKFI's receipt of written notice of the default. Termination will only be valid if the conditions of Section 11.3 are met in full within the specified time periods.

11.3 Rights and Obligations Upon Termination. Upon Termination, the parties will have the following rights and obligations:

(a) In order to assure Client safety and continuity of care and Services for Clients, Care Recipients, Customers and Subscribers, You must work with CKFI to arrange for the orderly transition of Your Clients, Care Recipients, Customers and Subscribers to other Franchisees, or, if there are no other Franchisees in Your market area, to providers identified to and approved by CKFI. CKFI's approval will be based solely on its determination that the proposed transition of one or more Clients, Care Recipients, Customers and Subscribers is not an attempt to circumvent the transfer or non-competition covenants of this Agreement.

(b) You must immediately and permanently stop using the System, the Marks or any confusingly similar marks and any advertising, signs, stationery or forms that bear identifying marks or colors that might give others the impression that You are operating a Franchised Business or that You have been affiliated with CKFI. You irrevocably appoint CKFI Your attorney-in-fact to cancel any such advertising, in any format or medium, should You not do so within 7 days after Termination.

(c) You must immediately and permanently stop using the Client Information and retain no copies, regardless of the format or medium, of the Client Information except as otherwise required by law or this Section 11.3 and You must destroy in accordance with HIPAA regulations all copies of Client Information that You are not required by law to retain. Notwithstanding the foregoing, You must immediately transmit to CKFI historical accounting information on Client and Customer billing and Client and Customer contact information. In connection with the transition of Clients, Customers and Care Recipients in accordance with Section 11.3(f), CKFI will control transmission of Client Information to subsequent providers. After Termination, You may not use or transfer Client Information for any purpose except to meet government audit requirements, state licensing or other state requirements.

(d) You must promptly execute any documents and take any steps that in CKFI's judgment are necessary to delete Your listings from classified telephone directories, disconnect or, at CKFI's option, assign to CKFI all telephone numbers that have been used in Your Franchised Business, assign to CKFI any URLs, domain names and social media and social networking names that You have used in connection with Your Franchised Business and terminate all other references that indicate You were affiliated with CKFI. You irrevocably appoint CKFI Your attorney-in-fact to take the actions described in this paragraph if You do not do so within 2 days after Termination. If CKFI chooses not to have You assign the telephone numbers to it, You may not assign the telephone number to any Competitive Business, use automatic forwarding to the telephone number

of any Competitive Business or otherwise make the telephone number directly or indirectly available to any Competitive Business.

(e) You must promptly cancel any fictitious business registration, trade name or similar registration. You irrevocably appoint CKFI Your attorney-in-fact to take the actions described in this paragraph if You do not do so Yourself within 7 days after Termination.

(f) You and Your Related Parties must immediately comply with the restrictions in Section 7.11.

(g) During the 12 months following expiration or termination of this Agreement, You must refrain from selling, assigning or otherwise transferring to a Competitive Business any of the assets used in the Franchised Business, including the lease for the premises where Your Office was operated.

(h) You must give CKFI a final accounting for Your Franchised Business, pay CKFI and its Affiliates and Related Parties all payments due to them within 30 days after Termination and immediately return to CKFI the Manual, all Confidential Information, and any other property belonging to CKFI.

(i) You must maintain all accounts and records for Your Franchised Business for a period of not less than 7 years after final payment of any amounts You owe to CKFI, its Affiliates, and Related Parties, but You may not sell, disclose or otherwise transfer any of the information contained in those accounts and records to, or for use by, any Competitive Business.

11.4 Lost Revenue Damages. If CKFI terminates the Term because of Your breach or if You terminate this Agreement without cause, CKFI and You agree that it would be difficult, if not impossible, to determine the amount of damages that CKFI would suffer due to the loss or interruption of the revenue stream CKFI otherwise would have derived from Your continued payment of the Royalty Fee, the National Brand Fund fee and the Cooperative Advertising Program fee (if applicable) through the remainder of the Term. Therefore, CKFI and You agree that Lost Revenue Damages are a reasonable estimate of such damages. You agree to pay CKFI Lost Revenue Damages, as damages and not as a penalty, within 15 days after the Commencement Date, or on any later date that CKFI determines. CKFI and You agree that payment of Lost Revenue Damages will not limit CKFI from proving and recovering any other damages caused by Your breach of this Agreement

12. MISCELLANEOUS PROVISIONS

12.1 Construction. All captions in this Agreement are intended solely for the convenience of the Parties and none will be deemed to affect the meaning or construction of any provision of this Agreement. Each word may be considered to include any number or gender that the context requires. If there is any conflict between this Agreement and the Manual, this Agreement will control. Whenever this Agreement gives CKFI discretion to take an action or make a decision, CKFI may take or make (or refrain from taking or making) that action or decision based on its business judgment. Even if CKFI has motives for a particular action or decision or there are other reasonable or arguably preferable alternatives to a particular action or decision, so long as at least

one motive is a reasonable business justification, the action or decision will not be subject to challenge for abuse of discretion.

12.2 Governing Law. This Agreement and the relationship between the parties is governed by and will be construed in accordance with the laws of the State of Ohio; provided, however, that if any provision of this Agreement, including Section 7.11, would not be enforceable under the laws of Ohio and Your Franchised Business is located outside of Ohio, then that provision will be interpreted and construed under the laws of the state in which Your Franchised Business is located. Nothing in this Section is intended, or will be deemed, to make any Ohio law or regulation (including the Ohio Business Opportunity Purchasers Protection Act) applicable to this Agreement if that law would not otherwise be applicable.

12.3 Notices. Except as otherwise provided in this Agreement, the parties will direct any notices to the other party at the address provided on the Summary Page or at another address if advised in writing that the address has been changed. Notice may be delivered by: **(a)** facsimile (with simultaneous mailing of a copy by first class mail); **(b)** nationally recognized courier service; **(c)** first class mail. Notice will be effective on receipt or first rejection. Where this Agreement permits notice by email, CKFI may give written notice by sending an email message to You at the email address maintained by CKFI for You and the notice will be deemed received on the day sent.

12.4 Amendments. Except for changes to the Manual, for changes specified in this Agreement relating to Equipment and Technology Services (which CKFI may make unilaterally and which will be binding on You), and except as otherwise specifically provided in this Agreement, no amendment, change or variance from this Agreement will be binding on either party unless set forth in a writing signed by all of the parties to this Agreement or by their authorized officers or agents.

12.5 Waiver. Either of the parties to this Agreement may waive in writing any obligations of, or restriction upon, the other under this Agreement. No acceptance by CKFI of any payment by You and no refusal, neglect or failure of CKFI to exercise any right under this Agreement or to insist upon full compliance by You with Your obligations under it or with any Standards will constitute a waiver of any provision of this Agreement or of any subsequent breach of this Agreement.

12.6 Integration. This Agreement and any other agreement (including any promissory note) executed in connection with this Agreement, the Attachments and the Manual constitute the complete Agreement between You and CKFI concerning the subject matter of this Agreement and supersede all prior understandings and agreements, whether written or oral. Nothing in this Agreement is intended to disclaim the representations CKFI made solely in the franchise disclosure document it furnished to You.

12.7 Dispute Resolution.

12.7.1 Dispute Resolution Process.

(a) Except as otherwise provided in this Agreement, the parties must attempt to resolve a Dispute by following the ADR Process in this Section 12.7 before, and as a condition to, either party's initiating a legal action. All aspects of the ADR Process must be treated as confidential,

must not be disclosed to others, and may not be offered or admissible in any other proceeding or legal action. The ADR Process is not intended to alter or suspend the rights or obligations of the parties, but is intended to furnish the parties an opportunity to resolve disputes amicably, expeditiously and in a cost-effective manner on mutually acceptable terms.

(b) The Complainant will initiate the ADR Process by sending a certified or registered letter to the Respondent setting forth the particulars of the Dispute, the terms of the Agreement that are involved, a proposed resolution of the Dispute and identifying one or more Authorized Representatives with authority to settle the Dispute for the Complainant. The Respondent has 14 days to designate by written notice to the Complainant one or more Authorized Representatives with authority to settle the Dispute on the Respondent's behalf.

12.7.2 Direct Negotiations. The Respondent's Authorized Representatives may investigate the Dispute as they consider appropriate, but will meet to discuss resolution of the Dispute in person at a place determined by CKFI, by prearranged teleconference or by videoconference, with the Authorized Representatives of the Complainant within 30 days after the date of the Complainant's written notice. The Authorized Representatives may meet as often as they agree, subject to the time limits in this Section 12.7.

12.7.3 Mediation.

(a) If the Dispute has not been resolved within 60 days after the initial meeting of the Authorized Representatives, the Dispute must be submitted to non-binding mediation by a third-party mediator. The parties will attempt to agree upon a mediator within 120 days after the Complainant's letter unless otherwise agreed by the parties. If the parties are unable to mutually agree upon a mediator within this time period, the Complainant may seek the appointment of a mediator through JAMS, Inc. (if JAMS, Inc. is no longer operational, a comparable mediation service designated by CKFI). If there are pending mediations involving the same or similar issues, CKFI may prevent the Designated Mediator from serving in that capacity in more than one mediation. The mediation must take place in the city where CKFI's principal offices are then located.

(b) Non-binding mediation under the ADR Process must be concluded within 60 days after the date the Designated Mediator is agreed upon (or selected by JAMS, Inc. or the comparable mediation service) or that longer period as may be agreed by the parties in writing. The Complainant and the Respondent will each bear their own costs of mediation and will share the cost of the mediator, including any mediation service fees.

12.7.4 Arbitration.

(a) If the Dispute is not resolved through mediation, then, except as otherwise provided in this Agreement, the Dispute (including the enforceability of this arbitration provision and the arbitrability of any Dispute) must be settled by binding arbitration through JAMS, Inc. (if JAMS, Inc. is no longer operational, a comparable arbitration service designated by CKFI). The arbitration must be brought in the city where CKFI's principal offices are then located. Only disputes brought by the parties to this Agreement may be resolved in the arbitration and no claims brought by a class or claims by Persons other than the parties to this Agreement will be heard. The

parties will jointly select one arbitrator from the panel of arbitrators maintained by JAMS, Inc. (or, if applicable, the comparable arbitration service). The arbitrator must: **(i)** be a lawyer or a retired judge; **(ii)** have at least 5 years' experience in franchising or franchise law; and **(iii)** have no prior social, business or professional relationship with any party. If the parties are not able to agree on the arbitrator within 30 days after notice of arbitration has been provided, then the parties must apply to JAMS, Inc. (or, if applicable, the comparable arbitration service) to designate and appoint the sole arbitrator.

(b) Discovery will be limited to the following for each side: **(i)** 6 depositions totaling 12 hours; **(ii)** 6 interrogatories each consisting of no more than 12 questions (with no subparts); and **(iii)** 6 document requests. The discovery may be further limited as specified by the arbitrator who will limit discovery to the greatest extent possible consistent with basic fairness.

(c) If proper notice of any hearing has been given, the arbitrator will have full power to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any party who fails to appear and the arbitrator may render a decision. The arbitrator will have no power to: **(i)** stay the effectiveness of any pending Termination of this Franchise Agreement; **(ii)** assess punitive damages against either party; or **(iii)** make any award that extends, modifies or suspends any lawful provision of this Agreement or any of the standards of business conduct, performance, or operations established by CKFI. All expenses of arbitration must be paid by the party against which the arbitrator renders a decision; if each party prevails on one or more claims, the arbitrator will apportion the expenses of arbitration.

(d) The decision in writing of the arbitrator will be: **(i)** in English; **(ii)** final and binding; and **(iii)** reasonably detailed and will include the arbitrator's findings. Either party may apply to any court having jurisdiction for an order confirming, or to enforce, the award. A notice of arbitration will not operate to stay, postpone or rescind the effectiveness of any demand for performance or notice of termination under this Agreement.

12.8 Exceptions to ADR Process Requirement.

(a) Section 12.7 does not bar the right of either party to seek and obtain temporary injunctive relief from a court of competent jurisdiction in accordance with applicable law against threatened conduct that may cause loss or damage.

(b) Neither You nor CKFI is required to follow the ADR Process with respect to: **(i)** any claim or Dispute involving actual or threatened disclosure or misuse of Confidential Information or any other intellectual property of CKFI; **(ii)** any claim or Dispute involving the ownership, validity or use of the Marks; **(iii)** any claim or Dispute related to monies You owe to CKFI or to the Brand Fund; **(iv)** any claim or Dispute involving the insurance or indemnification provisions of this Agreement; **(v)** any action to enforce the covenants in Section 7.11; or **(vi)** any claim or Dispute involving a proposed or actual transfer.

12.9 Non-Exclusive Remedy. No right or remedy conferred upon or reserved to You or to CKFI by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy provided in this Agreement or permitted by law or by equity, but each shall be cumulative of every other right or remedy.

12.10 Exclusive Jurisdiction and Venue. Any action brought by You under Section 12.8 must be filed only in the federal or state court having jurisdiction where CKFI's principal offices are then located. Any action brought by CKFI under Section 12.8 must be filed in the federal or state court located in the jurisdiction where our principal offices are then located or in the jurisdiction where you reside or do business or in the Territory. You consent to the personal jurisdiction of those courts over You and to venue in those courts.

12.11 Limitation of Actions. Neither party may bring an action or maintain an arbitration against the other party unless the party files the action or arbitration within one year after the initial occurrence of any act or omission that is the basis of the action, regardless of when discovered. The preceding limitation period does not apply: **(a)** with respect to payments owed by one party to the other; **(b)** if prohibited by applicable law; or **(c)** if applicable law provides for a shorter limitations period.

12.12 Attorneys' Fees and Costs. You must pay to CKFI all damages, costs and expenses (including reasonable attorneys' fees) that CKFI incurs subsequent to the termination or expiration of the Franchise in: **(a)** obtaining injunctive or other relief for the enforcement of any provisions of this Agreement; or **(b)** successfully defending a claim that CKFI defrauded You into signing this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, or that the terms of this Agreement do not govern the parties' relationship.

12.13 Severability. Each provision of this Agreement is severable from the others. If, for any reason, any provision is determined by a court to be invalid, the invalidity will not impair the operation of the remaining provisions of this Agreement. The latter will continue to be given full force and effect and bind You and CKFI and the invalid provisions will be deemed not to be a part of this Agreement.

12.14 Individual Dispute Resolution. Any proceeding to resolve a Dispute between the parties or any of their Related Parties will be conducted on an individual basis and not as part of a consolidated, common, representative, group or class action.

12.15 Approval and Guaranties. All Persons, including all of Your Related Parties (without regard to the percentage of Beneficial Ownership interests noted in the definition of Related Parties), having at least a direct or indirect 10% or greater interest in You ("10% Owner") must approve this Agreement, permit You to furnish the financial information required by CKFI and agree to the restrictions placed on them, including restrictions on the transferability of their interests in the Franchised Business and in You and limitations on their rights to compete.

Each of those Persons must execute the Agreement and Guaranty in the form of Attachment 4 to this Agreement or in the form required by CKFI at the time the Person becomes a 10% Owner. It is CKFI's intent to have individuals (and not Entities) execute the Guaranty. Accordingly, if any 10% Owner is not an individual, CKFI will have the right to have the Guaranty executed by individuals who have only an indirect ownership interest in You. (By way of example, if one of Your owners is a corporation, CKFI has the right to require that the Guaranty be executed by individuals who have an ownership interest in that corporation.)

12.16 Acceptance by CKFI. This Agreement will not be binding on CKFI unless and until it has been signed by an authorized officer of CKFI.

12.17 Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Agreement may be signed using electronic signatures, and those signatures will have full legal force and effect.

12.18 Disclaimer of Representations. No representations or promises have been made by CKFI to induce you to execute this Agreement except those specifically stated in the franchise disclosure document that has been delivered to you. You acknowledge that neither CKFI nor any other Person has guaranteed that you will succeed in the operation of your Franchised Business or has provided any sales or income projections of any kind to you. You have made an independent investigation of all important aspects of the Franchise. You understand that CKFI is not a fiduciary and has no special responsibilities beyond the normal responsibilities of a seller in a business transaction.

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the Effective Date set forth in the Summary Page.

FRANCHISOR:
CK FRANCHISING, INC.

By:_____
Name:_____
Title:_____

1 Park Plaza, Suite 300
Irvine, CA 92614

FRANCHISEE:
If an entity:

_____
[Franchisee's full legal name]

By:_____
Name:_____
Title:_____

If individuals:

_____
Name:_____

_____
Name:_____

Address:

_____

_____

ATTACHMENT 1

FRANCHISE INFORMATION

1. **Territory.** The Territory is a geographic area in the state of _____, consisting of the following zip codes as of the Effective Date: _____ _____.

2. **Franchisee's Owners**. The following is a list of stockholders, partners, or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest:

Name	Ownership Percentage	Nature of Interest

3. **Franchisee's Related Parties.** The following is a list of Franchisee's Related Parties, each of whom will execute the Agreement and Guaranty substantially in the form set forth in Attachment 4 and/or a Confidentiality Agreement and Ancillary Covenants Not to Compete, as determined by CKFI in its sole judgment.

Name	Interest

ATTACHMENT 2

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENT VIA EFT

The undersigned depositor ("Depositor") authorizes CK Franchising, Inc. ("CKFI") to request debit entries and credit correction entries to the Depositor's checking and savings accounts indicated below and the depository ("Depository") to debit the account according to CKFI's instructions, including service, late, and other fees and amounts that become payable to CKFI.

Depository Name:_____

Depository Branch:_____

Depository Address:_____

City:_____State ___ Zip:_____

Routing Number:_____

Account Name:_____

Account Number:_____

For good and valuable consideration, Depositor agrees that this authorization will remain in full force and effect until at least 30 days after Depositor has given CKFI and Depository written notice of the Depositor's termination of the authorization in a time and manner that will give CKFI and Depository a reasonable opportunity to act on it. If an erroneous debit entry is made to Depositor's account, Depositor will have the right to have the amount of the entry credited to the account by Depository, if within 15 days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to the entry or 45 days after posting, whichever occurs first, Depositor has sent Depository and CKFI a written notice identifying the entry, stating that the entry was in error, and requesting Depository to credit the amount of it to the account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

Depositor:_____

By:_____

Title:_____

Date:_____

Unit #_____

ATTACHMENT 3

CONDITIONAL ASSIGNMENT

In exchange for valuable consideration provided by CK Franchising, Inc. ("Assignee"), _____ ("Assignor"), doing business at _____ _____ assigns to Assignee all telephone numbers and listings, facsimile numbers, email addresses, social media and social networking addresses and URLs used by Assignor now or in the future in the operation of Assignee's COMFORT KEEPERS® franchise.

This assignment will become automatically effective upon termination or non-renewal of Assignor's COMFORT KEEPERS® Franchise Agreement. Upon expiration or termination of the Franchise Agreement, Assignor promises to do whatever is necessary: **(a)** to cause the telephone company providing local service to Assignor to promptly transfer all of Assignor's numbers and associated listings to Assignee or its designee; **(b)** to cause the company providing email service to Assignor to promptly transfer all of Assignor's email addresses, social media and social networking addresses, and associated listings to Assignee or its designee; and **(c)** if applicable, to cause the company providing website hosting service to the Assignor to promptly transfer all of Assignor's URL addresses and associated listings and social media and social networking addresses, and associated listings to Assignee or its designee.

Assignor agrees to pay the above-referenced service providers ("Providers") on or before the effective date of assignment all amounts it owes those Providers in connection with the use of the telephone number or numbers, the facsimile number or numbers, the email and social media and social networking account or accounts or the URL address or addresses, including, but not limited to, payment for advertisements in the classified telephone directory or current domain registration fees. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the Providers to carry out the Franchise Agreement and agrees to cooperate fully with Assignee in making the necessary arrangements to carry out the assignment.

Dated:_____

ASSIGNOR:

_____

By:_____

By:_____

ATTACHMENT 4

AGREEMENT AND GUARANTY OF RELATED PARTIES

Each of the undersigned (a "guarantor" or the "guarantors") acknowledges and agrees as follows:

(1) Each has read the terms and conditions of the attached COMFORT KEEPERS® Franchise Agreement ("Franchise Agreement") and acknowledges that the execution of this Agreement and Guaranty of Related Parties ("Guaranty") and the undertakings of the Related Parties in the Franchise Agreement are in partial consideration for, and a condition to, the granting of the Franchise, and that CKFI would not have granted the Franchise without the execution of this Agreement and Guaranty and the other undertakings by each of the undersigned;

(2) Each is included in the term "Related Parties";

(3) Each, jointly and severally, makes and agrees to perform all of the covenants, representations, warranties and agreements of the Franchisee and its Related Parties set forth in the Franchise Agreement, including, without limitation, the covenants against competition; and

(4) Each, jointly and severally, absolutely and unconditionally guarantees to CKFI and its successors and assigns:

(a) The payment in full when due of all fees and costs, including, but not limited to, Franchise Fees, Royalty Fees, other contractual obligations and trade accounts payable to CKFI by Franchisee under the Franchise Agreement; and

(b) The payment in full when due of any and all amounts for which Franchisee may become obligated pursuant to the Franchise Agreement.

The monetary obligations described in clauses (a) and (b) are called "Debts".

This is a continuing Guaranty and applies to all Debts and other obligations (regardless of whether the obligations are monetary) for or with respect to which any guarantor or the Franchisee may become obligated, whether during the Term of the Franchise, any renewals or extensions thereof, or, with respect to Debts described in clause (b) above, after the expiration, termination or cancellation of the Franchise. This Guaranty will be binding on the heirs, executors, administrators, guardians, successors and assigns of each guarantor, and under no circumstances will any guarantor's obligations under this Guaranty be released or extinguished without CKFI's written consent and release, whether or not a guarantor's interest in the Franchise is transferred, sold or otherwise surrendered.

Each of the guarantors expressly waives demand and diligence on the part of CKFI in the collection of any of the Debts and agrees to all extensions that may be granted to Franchisee by CKFI. CKFI will be under no obligation to notify the guarantors of any sales or extensions of credit to Franchisee in reliance on this Guaranty, or Franchisee's failure to pay any of the Debts when due, or to use diligence in preserving the liability of any person on the Debts or in bringing suit or in taking other action to enforce collection of the Debts.

If Franchisee's status should change through merger, consolidation or otherwise, this Agreement and Guaranty will cover Franchisee's Debts under its new status, according to the terms of this Agreement and Guaranty.

CKFI will not be required to pursue or exhaust any remedies against any guarantor, to foreclose CKFI's interest in any collateral now or hereafter held by CKFI as security for the payment of the Debts, to terminate the Franchise Agreement or to take any other action before requiring payment under this Guaranty. Without impairing or diminishing the obligations of the guarantors under this Guaranty, CKFI may elect to pursue any legal or equitable remedy available against any guarantor (without being obligated to pursue any remedy against all guarantors) or against any collateral held by CKFI, even if the exercise by CKFI of that remedy results in loss to any one or more of the guarantors of any right of subrogation or right to proceed against the other guarantors for reimbursement.

If Franchisee is determined not to be liable on any of the Debts because the act of their creation is ultra vires, or if the Persons incurring any of the Debts acted in excess of their authority, and therefore the Debts cannot be enforced against Franchisee, the guarantors will nevertheless be liable under this Guaranty.

If for any reason CKFI is required to return a payment received from Franchisee because the payment is deemed in any legal proceeding to be a preference, fraudulent transfer or conveyance or the like, that payment by Franchisee will not constitute a discharge of guarantors from any liability under this Guaranty and the guarantors jointly and severally agree to pay that amount to CKFI upon demand.

Each guarantor represents that he or she owns a substantial equity interest in Franchisee or is otherwise associated with Franchisee in a material fashion and that each guarantor is receiving consideration from the Debts and from the Franchise that is a material, direct benefit to that guarantor.

Each guarantor (if an individual, on behalf of him/herself and his/her heirs, representatives, successors and assigns, and if a business entity, on behalf of itself and its parent, subsidiaries and affiliates) (collectively, "Releasors"), freely and without any influence, forever releases and covenants not to sue CKFI, its parent, subsidiaries and affiliates and their respective past and present officers, directors, managers, members, shareholders, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), that any Releasor now owns, has or claims to have or holds, or may in the future own or hold, or at any prior time owned, held, had or claimed to have, based on, arising out of or relating to, in whole or in part, any fact, event, conduct or omissions occurring on or before the date of this Guaranty, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances and Claims arising out of, or relating to this Guarantee, the Agreement and all other agreements between any Releasor and CKFI or its parent, subsidiaries or affiliates, the sale of any franchise to any Releasor, the development and operation of the Franchised Business and the development and operation of all other COMFORT KEEPERS® businesses operated by any Releasor that are franchised by CKFI or its parent, subsidiaries or affiliates. Releasors expressly agree that fair consideration has been given

by CKFI for this release, and they fully understand that this is a negotiated, complete and final release of all claims.

Any capitalized terms used but not defined in this Guaranty will have the meanings they are given in the Franchise Agreement. This Guaranty will be governed by and construed in accordance with the laws of the State of Ohio without reference to conflict of laws provisions.

The guarantors jointly and severally agree to pay CKFI's attorneys' fees and costs incurred if this Guaranty is placed in the hands of an attorney for collection, or if it is collected through a proceeding in any court.

Dated:_____

GUARANTORS:

Name:_____

Name:_____

ATTACHMENT 5

CONSENT TO RECORD

(Individual Franchise Owner)

CONSENT TO RECORD

Individual Franchise Owner

I am an individual beneficial owner of _____ ("**Franchisee**") dba CK#_____.

In order for CK Franchising, Inc. ("CKFI") to provide Franchisee with information intended to help improve Franchisee's business operations or to ascertain compliance with Comfort Keepers® standards and in order for Franchisee to receive calls forwarded in response to advertising by the National Brand Fund, I agree that my business conversations on the telephone lines and cell phones relating to or used in Franchisee's business may be recorded by CKFI and third parties acting at the behest of CKFI. I represent that Franchisee has obtained the consent to recording of their Franchisee-related business conversations by all of Franchisee's employees and others who may receive or make business calls on Franchisee's business telephone lines and cell phones and will obtain the consents of all such persons in the future become new employees or newly associated with Franchisee. I understand, and intend, that CKFI and any such third parties may rely on this consent and representation.

Dated: _____ Printed Name: _____

Signature: _____

ATTACHMENT 6

NATIONAL BRAND FUND ADDENDUM
TO COMFORT KEEPERS® FRANCHISE AGREEMENT

This National Brand Fund Addendum ("A***ddendum***") is made by and between CK Franchising, Inc. ("CKFI") and _____ ("You") and modifies the Comfort Keepers franchise agreement dated as of _____ between You and CKFI.

RECITALS

In February 2013, Comfort Keepers franchisees voted to establish a national brand fund to enhance the goodwill and image of the System, Network and Marks and to develop brand enhancement programs and materials ("Brand Fund"). This Addendum provides the terms under which You and CKFI will contribute to the Brand Fund and the terms under which the Brand Fund will operate.

You and CKFI wish to enter into this Addendum.

Accordingly, the parties agree as follows:

1. Recitals. The recitals are incorporated into and made part of this Addendum.

2. Suspended Provisions. Sections 8.1(b) through (k) and Section 8.3(b) of the Franchise Agreement are suspended and superseded by the terms of this Addendum as long as the Brand Fund implemented by this Addendum has not been terminated. If the Brand Fund implemented by this Addendum is terminated, then, along with any provisions of this Addendum that survive termination of the Brand Fund, the provisions of Sections 8.1(b) through (k) and 8.3(b) of the Franchise Agreement will be reinstated.

3. Definitions. Any capitalized term used but not otherwise defined in this Addendum has the meaning assigned to it in the Franchise Agreement. The following definitions apply to the terms used in this Addendum and, solely for the purposes of this Addendum, replace any existing definition of the same word or phrase in the Franchise Agreement:

3.1 "**Brand Fund Due Date**" -- the 28th day of each month, or, if the 28th is not a Business Day, then the next Business Day.

3.2 "**Good Standing**" -- with respect to a Franchised Business, that the Franchised Business is current on all Brand Fund contributions and does not have an uncured default that is the subject of an outstanding default letter, and, with respect to a Company-owned Unit, that the Company-owned unit is current on all Brand Fund contributions.

4. Brand Fund Operating Provisions.

4.1 Purpose of the Brand Fund. The Brand Fund has been established to promote, on a national basis, the goodwill and public image of the System, Network and Marks and to develop brand enhancement programs and materials, which includes advertising, marketing,

promotions, promotional events, public relations, website, social media, mobile, paid digital advertising, search engine marketing, search engine optimization and all other brand development and caregiver recruitment activities and materials (whether in electronic or other form) designed to promote the goodwill and public image of the System, Network, and Marks.

4.2 Role of the National Advisory Council.

4.2.1. CKFI will work closely and cooperatively with any existing National Advisory Council ("NAC") and any NAC committee that is established to make recommendations to CKFI about Brand Fund activities and expenditures ("NBF Advisory Committee"). If there is no NAC, then CKFI will immediately form a committee with the same membership composition and ratio as outlined in Section 4.2.2 of this Addendum and, except as specified, that committee will have the rights and obligations of the NBF Advisory Committee and the NAC under this Addendum.

4.2.2. The NBF Advisory Committee will initially have a membership of 9, consisting of an owner from each of 7 Comfort Keepers franchises or franchisee (2 NAC members and 5 owners from the at-large franchisee community), and 2 CKFI staff members. Two owners from the same or related franchise entities may not serve on the NBF Advisory Committee at the same time. The NAC periodically may, as it deems advisable, change the number of members of the NBF Advisory Committee but there must always be at least 2 CKFI staff members on the NBF Advisory Committee and the ratio of CKFI staff members to franchisee members may not exceed 2 to 7. The NAC will establish guidelines for the operation of the NBF Advisory Committee.

4.2.3. Each year, the NBF Advisory Committee will, together with CKFI and any outside agencies and professional advisors that the NBF Advisory Committee or CKFI deems advisable, develop an annual brand enhancement activities budget ("BF Budget") for the following calendar year. The process for approval of the BF Budget will be as follows:

4.2.3.1. Following approval of the BF Budget by a majority vote of the franchisee members serving on the NBF Advisory Committee (that is, without participation by CKFI staff members), the NBF Advisory Committee will present the BF Budget to the NAC. The BF Budget will include the recommended advertising media to be utilized by the Brand Fund during that budget year and the recommended amount to be spent in each such medium. The BF Budget may also include a recommendation for an audit of the Brand Fund. The BF Budget will include a proposed budget of the anticipated related administrative expenses to be incurred by the Brand Fund, with a target cap for Administrative Costs (as defined in Section 4.2.3.4) equal to 10% of all Brand Fund expenditures for the year.

4.2.3.2. If the majority of the NAC franchisee members present at the BF Budget presentation (which must be held no later than October 1 of each year) endorse the recommended BF Budget, the NAC will present the recommended BF Budget to CKFI. CKFI will implement the recommended BF Budget during the coming calendar year except and only to the extent that, in CKFI's judgment: **(a)** unanticipated increased Administrative Costs or other expenses (arising in that year or carrying over from a preceding year) require or make desirable a change; **(b)** CKFI, as trademark owner, believes that the BF Budget, or a portion of the BF Budget,

represents an imprudent or ill-advised use of Brand Fund contributions; or **(c)** the recommended media are inconsistent with CKFI's plans for positioning the Network and System.

4.2.3.3. If CKFI wishes to make any material changes to the recommended BF Budget, CKFI will bring those changes to the NAC, through the NBF Advisory Committee, for further input before implementing any change. If there is no recommendation by October 1 of any year from the NBF Advisory Committee or the NAC, CKFI will develop and implement a BF Budget for the following year, following consultation with the NBF Advisory Committee and the NAC.

4.2.3.4. For purposes of the 10% cap described above, "Administrative Costs" means any activity (including governance) that is not directly attributable to a specific permitted brand enhancement activity or expenditure as defined in Sections 4.3.1 through 4.3.10 and Section 4.3.12. "Governance" includes items such as the cost of corporate filings if the Brand Fund is administered as a separate entity, the establishment of policies and procedures, the cost of all Network votes required by this Addendum and similar items.

4.2.4. It is CKFI's responsibility to implement the BF Budget. In addition, CKFI will work with the NAC and any NBF Advisory Committee on brand messaging and will present to the NBF Advisory Committee and the NAC CKFI's proposal for brand messaging and creative content. If CKFI, the NAC and the NBF Advisory Committee do not agree on the brand messaging or creative content, CKFI will, after consultation with the NAC, make the final determination, including the content and the format of all brand enhancement activities by the Brand Fund, the creative concepts, materials, content and endorsements used in these activities, the production companies for these activities, and the geographic or market placement (to the extent that, consistent with Sections 4.3.3 and 4.3.8, any activity is not immediately rolled out on a national basis) and media outlet placement.

4.2.5. CKFI owns the copyright and all intellectual property rights in and to the materials, concepts, content, activities and format of brand enhancement activities.

4.2.6. CKFI will provide the NBF Advisory Committee quarterly with key performance indicators, agreed-upon by the NBF Advisory Committee and CKFI, related to the Brand Fund's activities. These key performance indicators will be posted on the Members section of the CK Intranet ("Members Site") or otherwise made available to You.

4.3 <u>Permitted Brand Enhancement Activities and Expenditures</u>. The Brand Fund (including any interest that may accrue on Brand Fund contributions) may be used to fund or pay all brand enhancement activities and their related costs consistent with the BF Budget, including:

4.3.1. The cost of any purchased media time (paid advertising, also known as "media weight") in any medium (including broadcast or cable television, print, radio, outdoor displays and online/digital advertising).

4.3.2. The costs incurred for advertising agencies, public relations agencies, and other advisors.

4.3.3. The costs of designing, conducting and administering national public relations projects and events (including projects and events that are intended for roll-out to the Network if successful, and nationwide rollouts of projects and events on a region by region basis) intended to enhance the goodwill and public image of the System, Network and Marks, including participation in or joint public relations projects with CKFI Affiliates and others.

4.3.4. The costs of market research, including branding studies, consumer research, competitive research, and similar programs.

4.3.5. The costs of preparing, producing and placing brand enhancement materials in any medium, including direct mail, Internet, mobile, and social media advertising.

4.3.6. The costs associated with running a call center or providing another electronic mechanism for capturing leads generated by the Brand Fund's brand enhancement activities.

4.3.7. The costs of purchasing promotional items.

4.3.8. The costs of designing and administering national brand enhancement programs and activities (including activities such as local and regional trials or pilots that are intended for roll-out to the Network if successful, and nationwide rollouts of programs and activities on a region by region basis), including social media programs, search engine optimization, pay per click programs and purchasing media advertising.

4.3.9. The costs of obtaining sponsorships and endorsements and developing alliances, marketing and sales promotions, provider relationships, customer loyalty programs and similar brand enhancement activities and programs.

4.3.10. The costs of establishing, designing, maintaining, updating, and upgrading one or more consumer-oriented Internet, on-line, mobile, and other electronic applications, including hosting, maintenance, web-optimization, search engine marketing, and similar costs (provided, however, that CKFI will be responsible for development, hosting, maintenance, and optimization costs associated with maintaining, at its current or similar functionality, the website at www.comfortkeepers.com).

4.3.11. All administrative costs associated with Brand Fund activities, including those specified in Section 4.4.

4.3.12. The costs of such other national brand enhancement activities as may be deemed advisable.

Although, as provided above in Sections 4.3.3 and 4.3.8, certain activities may be implemented first on a regional trial basis prior to intended nationwide roll-out, the purpose of the Brand Fund is to provide brand enhancement on a nationwide basis. Accordingly, no Brand Fund contributions may be spent on any activity that is intended to only be local or regional. In addition, no part of the Brand Fund will be used to pay for any activity whose primary purpose is the

marketing of franchises or to fund any CKFI activity that is not primarily related to carrying out the purpose of the Brand Fund.

4.4 CKFI's Administration of the Brand Fund and Permitted Administrative Expenditures.

4.4.1. CKFI has the option to administer the Brand Fund as a segregated fund or cause the Brand Fund to be incorporated or operated through a separate entity, but formed and owned by CKFI.

4.4.2. CKFI may use collection agencies and bring legal proceedings at the Brand Fund's expense to collect Brand Fund contributions; all costs of collection of delinquent Brand Fund contributions will be paid from the Brand Fund. As provided in Section 5.3, CKFI may seek reimbursement for the Brand Fund from delinquent Brand Fund contributors. The Brand Fund will not be used to defend against a counterclaim to a collection action that is unrelated to the use and propriety of brand enhancement activities.

4.4.3. CKFI may forgive, waive, settle and compromise all claims by, on behalf of, or against the Brand Fund, including claims involving individual Franchised Businesses. CKFI will keep the NBF Advisory Committee generally apprised of the status of such claims.

4.4.4. The Brand Fund will not be used to pay for CKFI's general operating expenses and, as provided in Section 4.6, CKFI will maintain expenditures of CKFI's Marketing Department at $815,000 per year.

4.4.5. The Brand Fund must pay all expenses associated with its governance and administration, including expenses related to any vote required by 4.7.3 or 4.10.1. In planning the BF Budget, the NBF Advisory Committee and CKFI will target a 10% cap on the administrative costs (including costs of governance) of the Brand Fund, but the target cap may be exceeded under the circumstances described in Section 4.2.3.

4.4.6. As part of the Administrative Costs and other expenses of the Brand Fund as provided in Section 4.4.5, CKFI may reimburse itself from the Brand Fund for such reasonable salary costs of CKFI's employees, and such administrative and overhead costs and expenses, as CKFI may incur in activities reasonably related to the administration of the Brand Fund and its brand enhancement programs and activities. Those costs and expenses include agency fees, legal fees, travel expenses, insurance and indemnification related to Brand Fund activities for members of the NAC and NBF Advisory Committee (as provided in Section 4.8.2), preparing or procuring market studies, preparing or procuring reports required by this Addendum or requested by the NAC or NBF Advisory Committee, repayment of funds advanced pursuant to Section 4.5 and funds loaned pursuant to Section 4.4.8, judgments and settlements, preparing brand enhancement materials, regulatory, tax and other compliance activities, expenses related to governance, collecting and accounting for contributions to and expenditures by the Brand Fund and preparing for and assisting in any independent audit that may be done of the Brand Fund.

4.4.7. In selecting vendors of goods or services to the Brand Fund (which may include CKFI and CKFI Affiliates), CKFI will follow a Request for Proposal ("RFP") process.

CKFI will review the proposed RFP methodology with the NBF Advisory Committee before circulating an RFP and will review the results of the RFP process with the NBF Advisory Committee following the RFP process. Absent, in CKFI's reasonable judgment, unique circumstances, the cost for such goods and services shall be within the range that is reasonable and customary within the industry and within the BF Budget. "Unique circumstances" will not include the relationship of the vendor to CKFI or any CKFI staff member. If CKFI becomes a vendor in response to an RFP, CKFI will follow normal vendor practices relating to submission of invoices for services performed.

4.4.8. The Brand Fund will be administered on a calendar year basis. The Brand Fund may spend in any calendar year an amount greater or less than the aggregate contribution of the Network to the Brand Fund in that year. CKFI may borrow money on behalf of the Brand Fund from any source offering competitive rates and terms, or, at the request of the NAC, CKFI may lend money to the Brand Fund, but only at the best rates and terms CKFI is able to obtain for itself. CKFI has no obligation to make any loan to the Brand Fund. The total of all loans outstanding at any time may not exceed 50% of that calendar year's expected Brand Fund contributions. Except as otherwise provided in Section 4.10.3, the Brand Fund will retain for future use any amounts that are not disbursed in a given calendar year.

4.4.9. By the 30th day of the first month following the end of each calendar quarter, CKFI will provide to the NBF Advisory Committee unaudited accountings of contributions to and expenditures by the Brand Fund during the preceding quarter. In addition, by March 31 of each year, CKFI will prepare an unaudited accounting of contributions to and expenditures by the Brand Fund during the preceding calendar year. CKFI will furnish that annual accounting to the NAC and the NBF Advisory Committee. In addition, CKFI will present a financial report to the NAC at each regular meeting. These accountings and financial reports will be posted on the Members Site or otherwise be made available to You.

4.5 CKFI Brand Fund Contributions. For any Company-owned Unit, CKFI will contribute to the Brand Fund on the same basis as Franchised Businesses. CKFI will also contribute to the Brand Fund $100,000 for each budget year of the Brand Fund's existence until (and including) its tenth year of operation. Both CKFI's contributions for Company-owned Units and the annual contributions described in this Section 4.5 will be adjusted each year by the CPI to the same extent that franchisees' Brand Fund contributions are adjusted, as provided in Section 4.7.2.

4.6 CKFI Marketing Department Budget. As long as the Brand Fund has not been terminated, CKFI will spend at least $815,000 per year on Marketing Department expenses (exclusive of expenses related to franchise development advertising and activities) to maintain activities of the Marketing Department for franchisees at similar levels (but not necessarily the same or similar activities) to the activities received by the Network during 2012. This amount will be adjusted each year by the CPI to the same extent that franchisees' Brand Fund contributions are adjusted, as provided in Section 4.7.2.

4.7 Your Brand Fund Contributions. Unless otherwise specified by CKFI, You must make monthly contributions to the Brand Fund on the Brand Fund Due Date, beginning the month

your first Royalty Fee payment is due. The amount of Your contribution to the Brand Fund will be determined as follows:

4.7.1. The initial monthly Brand Fund contribution will be the lesser of $731.92 per month or 2% of Your monthly Gross Revenue for the preceding month.

4.7.2. CKFI may adjust the monthly Brand Fund contribution each year by the amount of the change in the CPI. CKFI will communicate this change, if any, to You by January 20 of each year. The change, if any, will take effect for the Brand Fund contribution due the next month.

4.7.3. In addition to any increase occurring as the result of an increase in the CPI, the monthly Brand Fund contribution may be increased and the methodology for determining Brand Fund contributions may be changed at any time by a vote (one vote per territory) of the majority of the combined total of Company-owned Units and franchisees in Good Standing.

4.8 No Fiduciary Obligation or Guarantee.

4.8.1. After receiving input from the NAC and the NBF Advisory Committee, CKFI will exercise its discretion with respect to maintaining, directing and administering the Brand Fund. The Brand Fund will not be deemed a trust and the members of the NAC, the members of the NBF Advisory Committee and CKFI (each a "Brand Fund Indemnified Party") have no fiduciary obligation to You with respect to the Brand Fund. You hereby release and hold harmless each Brand Fund Indemnified Party with respect to any action or decision taken with respect to the Brand Fund, except in the case of malfeasance.

4.8.2. The Brand Fund shall indemnify and hold harmless (except in the case of malfeasance) each Brand Fund Indemnified Party with respect to any action or decision taken with respect to the Brand Fund, including any claims brought by third parties. The Brand Fund will purchase appropriate insurance for the NAC and the NBF Advisory Committee members for claims related to the Brand Fund.

4.8.3. CKFI will attempt to spend Brand Fund contributions so as to provide benefits to all participating Franchised Businesses and Company-owned Units, but CKFI has no obligation to ensure that expenditures by the Brand Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Fund by Franchised Businesses operating in that area or that any Franchised Business, including Yours, will benefit in any manner directly or in proportion to its contribution to the Brand Fund. You acknowledge that Your failure to derive any proportionate, direct or quantifiable benefit from Brand Fund activities and expenditures will not serve as a basis for a claim against any Brand Fund Indemnified Party or the Brand Fund or a reduction or elimination of Your obligation to contribute to the Brand Fund.

4.9 Audit of Brand Fund. The Brand Fund will be audited every 3 years. As part of the budget process for the Brand Fund, the NAC may request an audit at any time. In addition, if 1/3 or more of Franchised Businesses in Good Standing request in writing that the Brand Fund be audited for the preceding year, the Brand Fund will be audited, with the audit to begin within 3 months following the request or as soon thereafter as CKFI can identify and engage an independent

auditor as provided in this Section 4.9. Any Brand Fund audit will be conducted by an independent auditor that does not currently have, and has not previously had, CKFI or a CKFI Affiliate as a client. The Brand Fund will bear the costs of any Brand Fund audit.

4.10 Termination of Brand Fund.

4.10.1. The Brand Fund may be terminated by the affirmative vote (one vote per territory) of the majority of the combined total of Comfort Keepers® Franchised Businesses and Company-owned Units then in Good Standing, according to the procedure set forth in this paragraph. If 1/3 or more of Franchised Businesses in Good Standing request in writing that termination of the Brand Fund be put to a vote, that vote will be conducted. CKFI will conduct the vote as soon as practicable but no later than 3 months after receipt of the written request by at least 1/3 of Franchised Businesses in Good Standing. If the vote is against termination of the Brand Fund, the Brand Fund will continue. This procedure for termination may not be utilized more often than once every 3 years.

4.10.2. CKFI may terminate the Brand Fund at any time after consultation with the NAC and the NBF Advisory Committee.

4.10.3. If the Brand Fund is terminated, You and CKFI must continue to make Your and its respective Brand Fund contributions until all loans and other outstanding financial obligations of the Brand Fund have been paid in full. If there are any funds remaining in the Brand Fund after the Brand Fund has paid all of its outstanding loans and financial obligations, CKFI will return contributions to then-current franchisees (that is, not to a prior franchise owner if a transfer has taken place or a franchise agreement has expired), to then-existing Company-owned Units, and to itself on a pro rata basis based on their and its contributions during the 12 calendar months preceding the return of contributions.

4.10.4. Termination of the Brand Fund does not terminate this Addendum. Those provisions of this Addendum that, by their terms or by reasonable implication, are intended to survive termination of the Brand Fund will survive the termination.

5. Payment of Brand Fund Contributions.

5.1 Payment by Electronic Funds Transfer ("EFT"). Your monthly contribution to the Brand Fund will be made by EFT on the Brand Fund Due Date. Section 6.9 of the Franchise Agreement will not apply to Brand Fund contributions, which CKFI will deposit in the Brand Fund account.

5.2 Collection and Collection Costs. You agree to reimburse the Brand Fund for any costs (including reasonable legal fees and costs) incurred in collecting Brand Fund contributions You have not paid. The collection of amounts owed the Brand Fund is not subject to the Franchise Agreement's mediation and arbitration provisions and CKFI may file a court action to recover Brand Fund contributions You have not paid**.** Except for the mediation and arbitration provisions, any action to recover Brand Fund contributions You have not paid will be subject to the terms of the Franchise Agreement. If You or CKFI has both a claim (or counterclaim) related to the Brand Fund and a claim (or counterclaim) unrelated to the Brand Fund, the claim (or counterclaim)

unrelated to the Brand Fund must be brought separately under the dispute resolution provisions of the Franchise Agreement. Except as provided in the preceding sentence, this Section does not require You to waive any defenses You may have to collection of those amounts under any applicable federal or state law.

6. Modification of Franchise Agreement. This Addendum is made part of the Franchise Agreement and modifies it.

7. Authority. Each person signing this Addendum on behalf of a corporate or other entity individually represents and warrants that he/she has the authority to bind the entity to the terms of this Addendum.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the Effective Date.

CKFI: **CK FRANCHISING, INC.**

By:_____

Printed Name:_____

Title:_____

YOU:

If an entity:_____

Insert franchise entity name]

By:_____

Printed Name:_____

Title:_____

If individuals:

By:_____

Printed Name:_____

By:_____

Printed Name:_____

EXHIBIT D-3

CONFIDENTIALITY AGREEMENT AND

ANCILLARY COVENANTS NOT TO COMPETE

EXHIBIT D-3

CONFIDENTIALITY AGREEMENT AND ANCILLARY COVENANTS NOT TO COMPETE

This Agreement is made and entered into as of _____ [date signed by CKFI], among CK Franchising, Inc. ("CKFI"), an Ohio corporation, _____, a ____ _____, _____ [specify Franchisee's legal name] ("Franchisee"), and _____ ("Recipient").

RECITALS

CKFI, as the result of the expenditure of time, skill, effort and money, developed and owns a unique System ("System") for the development and operation of a business providing care to seniors and others in need of assistance in daily living and home care technology equipment and related services.

The System includes, but is not limited to, certain trade names, trademarks, symbols, logos, emblems and indicia of origin, including, but not limited to, the mark "Comfort Keepers" and those other trade names, trademarks, symbols, logos, emblems and indicia of origin as CKFI may develop in the future to identify for the public the source of services and products marketed under those marks ("Marks") and under the System and representing the System's high Standards of quality, appearance and service; uniform standards, specifications and procedures for operations; quality and uniformity of products and services offered; procedures for management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved and further developed by CKFI from time to time and are used by CKFI in connection with the operation of the System ("Trade Secrets".

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

CKFI has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of the Trade Secrets.

CKFI and Franchisee have agreed, as evidenced by the terms of the Franchise Agreement, dated as of _____ for the operation of a Comfort Keepers® business ("Franchised Business") on the importance to CKFI and to Franchisee and other licensed users of the System of restricting the use, access and dissemination of the Trade Secrets.

It will be necessary for certain employees, agents, independent contractors, officers, directors and interest holders of Franchisee, or any entity having an interest in Franchisee, to have access to and to use some or all of the Trade Secrets in the management and operation of Franchisee's Franchised Business.

Franchisee has agreed to obtain from recipients of Trade Secrets written Agreements protecting the Trade Secrets and the System against unfair competition

Recipient wishes to remain, or wishes to become employed by or associated with Franchisee and wishes and needs to receive and use the Trade Secrets in the course of his or her employment or association in order to effectively perform services for Franchisee and protect his interest in Franchisee

Recipient acknowledges that receipt of and the right to use the Trade Secrets constitutes independent valuable consideration for the representations, promises and covenants made by Recipient herein.

NOW, THEREFORE, the parties agree as follows:

Confidentiality Agreement

1. CKFI and Franchisee will disclose to Recipient some or all of the Trade Secrets relating to the System. All information and materials, including, without limitation, any manuals, business plans, marketing plans, financial information, drawings, specifications, techniques and compilations of data which CKFI provides to Franchisee or Recipient will be deemed confidential Trade Secrets for the purposes of this Agreement. In addition, Recipient specifically acknowledges that all information relating to persons purchasing, leasing or receiving services or products from Franchisee (collectively, "Clients") is proprietary information belonging to CKFI and constitutes part of the Trade Secrets.

2. Recipient will receive the Trade Secrets in confidence and will maintain them in confidence and use them only in the course of his or her employment by or association with Franchisee and then only for so long as Franchisee is licensed by CKFI to use the System. Recipient will also take reasonable steps to preserve the confidentiality of the Confidential Information.

3. Recipient will not make copies of any documents or compilations containing the Trade Secrets without CKFI's express written permission.

4. Recipient will not disclose or permit the disclosure of any Trade Secrets except to other employees of Franchisee who have signed an agreement similar to this Agreement and only to the limited extent necessary to train or assist other employees of Franchisee in the operation of, or provision of services by, Franchisee's Franchised Business.

5. Recipient will surrender all material (regardless of whether electronic, written, or otherwise) containing Trade Secrets to Franchisee or CKFI, upon request, or upon termination of employment by or association with Franchisee, or upon conclusion of the use for which that information or material may have been furnished to Recipient.

6. Recipient will not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the Trade Secrets and the System.

7. All manuals are loaned by CKFI to Franchisee for limited purposes, remain the property of CKFI and may not be reproduced, in whole or in part, without CKFI's written consent.

Covenants Not to Compete or Solicit

1. In order to protect the goodwill and unique qualities of the System and the confidentiality and value of the Trade Secrets, and in consideration for the disclosure to Recipient of the Trade Secrets, Recipient further agrees and covenants as follows during the term of this Agreement:

a. Not to divert, or attempt to divert, directly or indirectly, any business, business opportunity, or customer of any Franchised Business or any prospective or current Client of any Franchised Business to any competitor of any Franchised Business or of the network of Franchised Businesses.

b. Not to directly or indirectly, for himself or through, on behalf of, or in conjunction with any person, partnership or corporation, without the prior written consent of CKFI, own, maintain, operate, engage in or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to, any business that: **(i)** is of a character and concept similar to a Franchised Business; **(ii)** derives any revenues from providing any of the services or products CKFI has authorized Franchised Businesses to provide; **(iii)** derives any revenues from providing any of the following services relating to the health or care of the elderly or infirm: geriatric care management services, skilled nursing services, any service that CKFI has under a pilot or test program, or adult day care; or **(iv)** offers franchises or provides support services for any business described in this paragraph.

2. In further consideration for the disclosure to Recipient of the Trade Secrets and to protect the uniqueness of the System and the goodwill associated with the Marks, Recipient agrees and covenants that for an uninterrupted 2-year period beginning on the Commencement Date (as defined below), Recipient will not without the prior written consent of CKFI:

a. Divert or attempt to divert, directly or indirectly, any business, business opportunity, prospective or current Client of any Franchised Business to any competitor, including Recipient.

b. Directly or indirectly, for himself or through, on behalf of, or in conjunction with any person, partnership, corporation or other legal entity, without the prior written consent of CKFI, own, maintain, operate, advertise, engage in or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to, any business that: **(i)** is of a character and concept similar to a Franchised Business; **(ii)** offers or provides any of the services or products CKFI has authorized Franchised Businesses to provide or that CKFI has under a test or pilot program on the Commencement Date (collectively, "Authorized Services/Products"); or **(iii)** has an outlet that offers or provides Authorized Services/Products, if that business or outlet is, or is intended to be, located in or offers or provides, or is intended to offer or provide, Authorized Services/Products: **(1)** within the protected territory granted to Franchisee under the Franchise Agreement; **(2) w**ithin 10 miles of that protected territory; **(3)** within, or within 10 miles of, the protected territory under any other Comfort Keepers® franchise agreement in effect on the Commencement Date; and **(4)**

within, or within 10 miles of, the territory agreed upon in connection with a deposit agreement relating to a Franchised Business that has been signed as of the Commencement Date.

c. Directly or indirectly, for himself or through, on behalf of, or in conjunction with any Person, contact or solicit: **(i)** any former Client of the Franchised Business to which the Franchise Agreement pertained for the purpose of offering to provide any Authorized Services/Products; and **(ii)** any referral source with which the Recipient had contact during the term of the Franchise Agreement for the purpose of obtaining a referral for providing Authorized Services/Products.

3. The "Commencement Date" means the earlier of the date of expiration or termination of the Franchise Agreement (regardless of the reason for termination) or the date that Recipient ceases all association with Franchisee. Recipient agrees that the length of time specified in Section 2 will be tolled for any period during which Recipient is in breach of the covenants or any other period during which CKFI or Franchisee seeks to enforce this Agreement.

4. These restrictions do not apply to the ownership of 5% or less of stock in a publicly held corporation, as that term is defined by the U.S. Securities and Exchange Commission, or to ownership by Recipient of a Franchised Business.

Sale or Transfer of Assets

During the 12 months following the Commencement Date, Recipient will not sell, assign, or otherwise transfer to a business of the type described in Section 2.c any of the assets used in connection with the Franchised Business, including the lease for the premises from which the Franchised Business operated.

Miscellaneous

1. Franchisee will take all commercially reasonable efforts to ensure that Recipient acts as required by this Agreement.

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

3. If Recipient owns a beneficial ownership interest in Franchisee or is an officer or director of Franchisee, Recipient expressly agrees that the existence of any claims Recipient or Franchisee may have against CKFI will not constitute a defense to the enforcement by CKFI of the covenants in this Agreement.

4. Recipient agrees to pay all expenses (including court costs and reasonable attorneys' fees and costs) incurred by CKFI and Franchisee in the successful enforcement (in whole or in part) of this Agreement.

5. Any failure by CKFI or Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Recipient will not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Recipient.

6. This Agreement will be governed by and construed and enforced in accordance with the laws of the state of Ohio, without reference to choice of law principles. Recipient irrevocably agrees that service of process may be made upon him or her in any proceeding relating to or arising under this Agreement or the relationship created by this Agreement by any means allowed by applicable law. Recipient further agrees that venue for any proceeding relating to or arising out of this Agreement will be the courts sitting in the city where CKFI'S principal offices are located; provided, however, with respect to any action which includes injunctive relief or other extraordinary relief, CKFI or Franchisee may bring that action in any court that has jurisdiction.

7. The parties agree that these covenants are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of CKFI. The parties also agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any final decision to which CKFI is a party, Recipient expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement. CKFI may reduce the scope of any covenant in this Agreement, effective immediately upon notice to Recipient.

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

9. The parties to this Agreement most direct any notices to the other party at the address set forth below or at another address if advised in writing that the address has been changed. Notice may be delivered by facsimile (with simultaneous mailing of a copy by first class mail), courier, or first-class mail. Notice will be effective on receipt or first rejection.

If directed to CKFI, the notice will be addressed to:

CK Franchising, Inc.
1 Park Plaza, Suite 300
Irvine, CA 92614
Facsimile: (937) 264-3103

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

_____

_____

_____

Attention:_____

Facsimile:_____

If directed to Recipient, the notice will be addressed to:

_____

_____

_____

Attention:_____

Facsimile:_____

The rights and remedies of CKFI under this Agreement are fully assignable and transferable and will inure to the benefit of its respective Affiliates, successors and assigns. The respective obligations of Franchisee and Recipient hereunder may not be assigned by Franchisee or Recipient without the prior written consent of CKFI.

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

CK FRANCHISING, INC.

By:_____

Name:_____

Title:_____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

RECIPIENT:

By: _____

Name: _____

Title: _____

EXHIBIT D-4

ADDITIONAL SERVICES ADDENDUM

EXHIBIT D-4

ADDITIONAL SERVICES ADDENDUM

This Additional Services Addendum ("Addendum") is made by and between CK Franchising, Inc. ("CKFI") and _____ ("You") and modifies the CKFI Franchise Agreement dated as of _____ between CKFI and You.

Unless otherwise defined in this Addendum, capitalized terms used in this Addendum have the meanings assigned to them in the Franchise Agreement.

You have been authorized as of the dates set forth below to provide the following Additional Services strictly in accordance with the Standards and terms and conditions of the Franchise Agreement:

Service	Date Authorized

You agree and acknowledge that Your authorization to offer and provide Additional Services is limited (as set forth above), that You are not authorized to provide any services that have not been authorized and that CKFI may, at its option, withdraw or revoke Your authorization to provide any or all Additional Services at any time and for any reason, upon notice to You.

IN WITNESS WHEREOF, the parties have executed this Additional Services Addendum as of the date set forth above.

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

EXHIBIT D-5

PRIVATE DUTY NURSING SERVICES

ADDENDUM

EXHIBIT D-5

PRIVATE DUTY NURSING SERVICES ADDENDUM

This Addendum to the Comfort Keepers® Franchise Agreement for Private Duty Nursing Services ("Addendum") is made as of _____ ("Addendum Date"), by and between CK Franchising, Inc. ("CKFI") and _____ (jointly and severally, "You"), and modifies the Comfort Keepers® Franchise Agreement dated as of _____ between You and CKFI for a Comfort Keepers franchised business known as Office #_____ ("Franchised Business").

This Addendum is based on the following understandings:

The Franchise Agreement provides that You may offer only those services that CKFI has authorized You to provide. At present, those services include homemaking/companionship services, as specified in the Manual, and may include basic personal care services, as specified in the Manual, but do not include PDN Services (as defined in Section 1).

CKFI has established a program under which it will authorize franchisees that meet certain criteria to offer PDN Services. You wish to be authorized to offer PDN Services under the Franchise Agreement and CKFI is willing to do so but only on the terms set forth in this Addendum.

Accordingly, the parties agree as follows:

1. Definitions. Capitalized terms used but not otherwise defined in this Addendum have the meanings, if any, assigned in the Franchise Agreement. In addition, the following definitions apply to this Addendum:

Equivalent -- Licensed vocational nurse, licensed occupational therapist, licensed physical therapist, licensed speech therapist, licensed pharmacist and similar licensed medical professionals that are authorized under the laws of the state where You operate to provide or supervise PDN Services.

PDN Services -- Those nursing services legally requiring the care of a registered nurse or licensed practical nurse (or Equivalent) or the supervision of a registered nurse or Equivalent that are set forth in the Manual.

2. Authorization. CKFI authorizes You to provide, in accordance with the Franchise Agreement and the Manual, the PDN Services that are set forth in the Manual, as it may be periodically amended. You need not provide all PDN Services, but You may provide only those PDN Services and no other private duty nursing services, even if applicable law would permit You to do so. CKFI may modify the Manual to add or delete one or more PDN Services; if CKFI deletes any such PDN Service, CKFI will give You 14 days' written notice to cease providing that specific PDN Service.

3. Provision of PDN Services. In addition to any other requirements set forth in the Manual, You must comply with the following requirements:

a. Before beginning to provide PDN Services, You must obtain and maintain any licensure in Your state required for You to provide PDN Services, but You must not become a Medicare-certified agency billing Medicare for skilled nursing services.

b. As with all of Your staff, it is your responsibility to ensure that the R.N. who supervises Your PDN Services operations (the "R.N. Supervisor") is appropriately trained.

c. In training Your employees and consultants, You must utilize CKFI's recommended provider of learning management systems.

d. Notwithstanding anything to the contrary in the Franchise Agreement, You must report to CKFI the revenues You earn from providing PDN Services in the format and using the method CKFI specifies.

e. Before beginning to provide PDN Services, You must obtain and thereafter maintain professional liability insurance that covers the provision of PDN Services, in accordance with Your state laws and regulations. At a minimum, You must maintain coverage of at least $1 Million per occurrence and $3 Million aggregate. This professional liability insurance must meet all other insurance requirements set forth in the Franchise Agreement.

f. Unless licensure or other applicable laws require otherwise, in appropriate circumstances and following CKFI's approval, You may be allowed to provide PDN Services through appropriately-licensed professionals who are independent contractors; however, Your R.N. Supervisor must be an employee of the Franchised Business. If CKFI permits You to utilize independent contractors, CKFI may withdraw its permission and, following 30 days' written notice, require all licensed professionals providing PDN Services to be Your employees. You must also comply with any licensure or other law that requires that these licensed professionals be Your employees. Any person You engage as an independent contractor must undergo the background check that CKFI requires for Your employees.

4. <u>Modification of Franchise Agreement</u>. This Addendum is made part of the Franchise Agreement and modifies it.

CKFI: CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

YOU:

If an entity:

By: _____

Printed Name: _____

Title: _____

If individuals:

By: _____

Printed Name: _____

By: _____

Printed Name: _____

EXHIBIT D-6

HIPAA BUSINESS ASSOCIATE

AGREEMENT

EXHIBIT D-6

HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement ("HBA Agreement") is entered into as of ___ _____, by and between CK Franchising, Inc. ("Business Associate"), and _____ _____ ("Covered Entity"). Covered Entity and Business Associate may be referred to individually as a "Party" and collectively as the "Parties".

RECITALS

Covered Entity is a franchisee of Business Associate and operates a Comfort Keepers® franchised business (known as Comfort Keepers Office # ____) under a franchise agreement dated as of _____ ("Franchise Agreement") with Business Associate.

Covered Entity and Business Associate desire to enter into this Agreement because Covered Entity will supply certain information (as reasonably necessary for the implementation of, and participation by Covered Entity in: **(a)** a data warehouse project developed by Business Associate on behalf of itself and the network of Comfort Keepers franchisees; or **(b)** as Business Associate may otherwise require under the terms of the Franchise Agreement.

Business Associate agrees to accept and utilize any such information pursuant to the terms set forth below.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I

Definitions

Terms used but not otherwise defined in this Agreement have the same meaning as those terms in the Standards for Privacy of Individually Identifiable Health Information; Final Rule at 45 CFR Parts 160 – 164.

A. Privacy Rule –The Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

B. Security Rule – The Standards for Security of Electronic Protected Health Information at 45 CFR part 160 and part 164, subpart C.

ARTICLE II

Obligations and Activities of Business Associate

A. Business Associate agrees not to use or disclose Protected Health Information other than as permitted or required by this Agreement or as required and permitted by law.

B. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

C. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

D. Business Associate agrees to report to the Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.

E. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

F. Business Associate agrees to provide access, at the request of Covered Entity and in the time and manner reasonably requested, to Protected Health Information in a Designated Record Set, to Covered Entity or as directed by Covered Entity in order to meet the requirements under 45 CFR §164.524.

G. At the request and in the time and manner requested by Covered Entity, Business Associate agrees to make any amendments to Protected Health Information in a designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR §164.526.

H. Business Associate agrees to make internal practices, books and records, including policies and procedures and Protected Health Information, relating to the use and disclosure and administrative, physical and technical safeguarding 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 in a manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy and Security Rules.

I. Business Associate agrees to document such 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.

J. Business Associate agrees to provide to Covered Entity, in the time and manner requested by Covered Entity, information collected in accordance with Article II Section 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 in accordance with 45 CFR §164.528.

K. Business Associate will, in accordance with 45 CFR §164.314:

1. Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains or transmits on behalf of the Covered Entity.

2. Ensure that any agent, including a subcontractor, to whom it provides such information, agrees to implement reasonable and appropriate safeguards to protect Electronic Protected Health Information.

3. Report to the Covered Entity any security incident of which it becomes aware.

L. Business Associate represents and warrants that, notwithstanding any other provision of this Agreement:

1. Business Associate will comply with all applicable federal, state, and local laws and regulations that are not pre-empted or otherwise superseded by HIPAA.

2. Business Associate will comply with all Covered Entity policies and procedures of which it has been made reasonably aware that are applicable to this Agreement and to Business Associate's performance of services on behalf of Covered Entity.

ARTICLE III

Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information for the following purposes provided that such use or disclosure would not violate the Privacy or Security Rule if done by the Covered Entity:

A. For the performance of functions, activities, or services for, or on behalf of, Covered Entity as specified in the Data Warehouse Membership Agreement in effect between Covered Entity and Business Associate.

B. For any lawful purpose permitted by the Franchise Agreement or the Manual.

C. For the proper management and administration of Business Associate (including its management and administration of the network of Comfort Keepers® franchises) or to carry out the legal responsibilities of Business Associate.

ARTICLE IV

Specific Use and Disclosure

A. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 45 CFR §146.504(e)(2)(i)(B).

B. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR §164.502(j)(1).

ARTICLE V

Obligations of Covered Entity

A. Covered Entity will notify Business Associate of any limitations in its notice of privacy practices of Covered Entity in accordance with 45 CFR §164.520, to the extent that such limitations may affect Business Associate's use or disclosure of Protected Health Information.

B. Covered Entity will notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

C. Covered Entity will notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

ARTICLE VI

Permissible Requests by Covered Entity

Covered Entity will not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule and Security Rule if done by Covered Entity.

ARTICLE VII

Term and Termination

A. Term. The Term of this Agreement will be effective as of the Effective Date, and will terminate when: **(i)** all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity; or **(ii)** if it is not feasible to return or destroy Protected Health Information, protections are extended to such information in accordance with the provisions in this Article. This Agreement will also terminate upon the expiration or termination of the Franchise Agreement. Covered Entity and Business Associate acknowledge that aggregated data is not Protected Health Information and will not be destroyed.

B. Effect of Termination.

1. Except as provided below, upon termination of this Agreement, Business Associate will return or destroy all Protected Health Information received from Covered Entity within 30 days after termination. This provision also will apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Neither Business Associate nor any subcontractor or agent may retain any copies of Protected Health Information. Notwithstanding the foregoing, Business Associate may retain and continue to use any Protected Health Information that Business Associate is entitled to obtain under the terms of the Franchise

Agreement and other Protected Health Information it reasonably needs in connection with its business as franchisor of the Comfort Keepers® franchise system.

2. If Business Associate determines that returning or destroying Protected Health Information (other than Protected Health Information Business Associate is permitted to retain) is not feasible, Business Associate will provide Covered Entity notification of the conditions that make return or destruction not feasible. Upon Covered Entity's written agreement that return or destruction of Protected Health Information is not feasible, Business Associate will extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction not feasible for so long as Business Associate maintains such Protected Health Information.

ARTICLE VIII

Miscellaneous

A. Regulatory References. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.

B. Amendment. This Agreement may be amended only upon the mutual written agreement of the parties, provided that the Parties agree to take such action to periodically amend this Agreement as is necessary for the Covered Entity to comply with the requirements of the Privacy Rule and Security Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

C. Survival. The rights and obligations of Business Associate under Article V Section C of this Agreement will survive the termination of this Agreement.

D. Interpretation. If any provision of this Agreement is deemed to be unlawful or otherwise unenforceable, it will be automatically stricken from this Agreement, and this Agreement will otherwise remain in full force and effect, to be construed as closely as possible under the circumstances to effectuate the original intent of the parties. Any ambiguity in this Agreement will be resolved to permit the Covered Entity to comply with the Privacy and Security Rules.

E. Assignment. This Agreement will be binding upon and inure to the benefit of the respective legal successors of the Parties. Neither this Agreement nor any rights or obligations hereunder may be assigned, in whole or in part, without the prior written consent of the other Party.

F. Property Rights. Except for client information (which belongs to Business Associate under the terms of the Franchise Agreement and as part of the good will associated with Business Associate's proprietary marks and system), all Protected Health Information shall be and remain the exclusive property of the Covered Entity. Except as provided in this Section, Business Associate agrees that it acquires no title or rights to the Protected Health Information as a result of this Agreement.

G. Injunctive Relief. Business Associate agrees that a breach of the terms and conditions of this Agreement will cause irreparable harm to Covered Entity for which there exists no adequate remedy at law. Covered Entity retains all rights to seek injunctive relief to prevent or stop any breach of the terms of this Agreement, including but not limited to the unauthorized use or disclosure of Protected Health Information by Business Associate or any agent, contractor or third party that received Protected Health Information from Business Associate.

H. Governing Law; Dispute Resolution. This Agreement will be governed and construed in accordance with the laws of the State of Ohio without regard to the choice of law provisions thereof. In the case of any dispute between the Parties, the Parties shall resolve it in accordance with the dispute resolution procedures set forth in the Franchise Agreement. Notwithstanding the foregoing, the Parties acknowledge that Business Associate and its employees, agents and contractors remain subject to all federal, state and local laws applicable to the actual performance of services in their respective jurisdictions.

I. Entire Agreement. This Agreement contains the entire understanding between the Parties with respect to its subject matter and supersedes any and all other agreements and understandings between them, whether oral or written. No waiver, alteration or modifications of any of the provisions of this Agreement will be binding unless in writing and signed by a duly authorized representative of the Parties.

J. Independent Contractors. The Parties are separate and independent entities. Nothing in this Agreement will be construed or be deemed to create a relationship of employer and employee, principal and agent, partnership, joint venture, or any relationship other than that of independent entities that have entered into this Agreement solely for the purposes provided.

K. Notices. All notices under this Agreement must be in writing, will be deemed given on receipt or first rejection and may be sent by prepaid certified or registered U.S. mail or overnight courier to the address of the Party to be noticed as set forth herein, or such other address as such Party has last designated in a written notice to the other Party. The addresses for notices under this Agreement will be the address for notices under the Franchise Agreement.

L. Severability. The invalidity or unenforceability of any provision of this Agreement, or any terms hereof, will not affect the validity of this Agreement as a whole, which will at all times remain in full force and effect. To this end, in the event that any provision of this Agreement will be determined to be illegal or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement of the Effective Date.

COVERED ENTITY:	**BUSINESS ASSOCIATE:**
_____	**CK FRANCHISING, INC.**
By: _____	By:_____
Name: _____	Name:_____
Title: _____	Title:_____

EXHIBIT D-7

FRANCHISE ACQUISITION INCENTIVE

AMENDMENT

EXHIBIT D-7

FRANCHISE ACQUISITION INCENTIVE AMENDMENT

This Franchise Acquisition Incentive Amendment ("Amendment") modifies and amends the franchise agreement dated as of _____ ("Franchise Agreement"), between CK Franchising, Inc. ("CKFI") and _____ _____ ("You").

RECITALS:

CKFI offers to existing Franchisees meeting certain criteria a royalty incentive to acquire underperforming Franchised Businesses.

You meet the criteria to participate and wish to obtain the benefits of the royalty incentive in connection with Your acquisition of the Franchised Business under the Franchise Agreement.

Accordingly, You and CKFI agree as follows:

1. **Recitals**. The recitals are incorporated into and made part of this Amendment.

2. **Definitions**. Each of the following capitalized terms used in this Amendment has the meaning assigned to it in this Section. 2. Every other capitalized term in this Amendment has the meaning assigned to it in the Franchise Agreement.

Base Year -- The 12 full calendar months immediately preceding the month in which the Effective Date occurs.

Base Year Revenue -- The Gross Revenue of the Franchised Business during the Base Year, as determined from the royalty reports filed with CKFI by the prior owner of the Franchised Business, less 20%. You and CKFI agree that Base Year Revenue for the Franchised Business is $_____.

3. **Royalty Incentive**. Section 6.2(a) of the Franchise Agreement is deleted in its entirety and the following is substituted in its place:

A. On the Royalty Due Date of each calendar month beginning the month following the Start Date and continuing throughout the Term, except as provided in Sections 6.2(a)(ii) and 6.2(a)(iii), You will pay to CKFI a Royalty Fee equal to the greater of the Minimum Royalty Fee or 5% of Gross Revenue for the immediately preceding calendar month.

B. To the extent provided in Section 7.3 relating to the failure to meet Minimum Performance Standards, You will pay a monthly Royalty Fee of 5% on the greater of Your actual Gross Revenue or the MPS Gross Revenue applicable to Your Franchised Business for that month.

C. For each calendar month beginning the first day of the month following the Start Date and continuing for the next 18 months ("Waiver Period"), You will pay a monthly Royalty Fee only on Gross Revenue, on a cumulative basis, that is equal to or less than Base Year Revenue.

During the Waiver Period, no Royalty Fee is due on Gross Revenue in excess of Base Year Revenue. If You cease to be in Good Standing during the Waiver Period, then, upon notice to You from CKFI, the provisions of this Section 6.2(a)(iii) will be deemed revoked as of the date of notice and You must thereafter pay a monthly Royalty Fee as provided in Sections 6.2(a)(i) or 6.2(a)(ii), as applicable.

4. **Effect on Franchise Agreement**. Except as expressly modified by this Amendment, the Franchise Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

YOU:	**CKFI:**
_____	**CK FRANCHISING, INC.**
By: _____	By:_____
Name: _____	Name:_____
Title: _____	Title:_____

EXHIBIT D-8

FRANCHISE ACQUISITION INCENTIVE AMENDMENT

FOR INDEPENDENT BUSINESS

EXHIBIT D-8

FRANCHISE ACQUISITION INCENTIVE AMENDEMENT FOR INDEPENDENT BUSINESS

This Franchise Acquisition Incentive Amendment for Independent Business ("Amendment") modifies and amends the Franchise agreement dated as of _____ ("Franchise Agreement"), between CK Franchising, Inc. ("CKFI") and _____ _____ ("You").

RECITALS:

CKFI offers to existing Franchisees a royalty incentive to acquire and convert to Franchised Businesses independent businesses that offer companion care, personal care services and minimally-invasive private duty nursing services to adults ("Independent Business").

You wish to obtain the benefits of the royalty incentive in connection with Your acquisition and conversion of an Independent Business.

Accordingly, You and CKFI agree as follows:

1. **Recitals**. The recitals are incorporated into and made part of this Amendment.

2. **Definitions**. Each of the following capitalized terms used in this Amendment has the meaning assigned to it in this Section. 2. Every other capitalized term in this Amendment has the meaning assigned to it in the Franchise Agreement.

Base Year -- The 12 full calendar months immediately preceding the month in which the Effective Date occurs.

Base Year Revenue -- The total fee income that the Independent Business earned from the provision of companion care personal care, and minimally-invasive private duty nursing services during the Base Year. You have provided to CKFI financial information acceptable to CKFI to determine Base Year Revenue and You and CKFI have agreed that Base Year Revenue is $_____.

Incentive Period -- The period beginning on the Effective Date, and unless the royalty incentive is earlier terminated in accordance with Section 3, expires on the date on which the collective Gross Revenue of the Franchised Business or Franchised Businesses that include Gross Revenues from the Independent Business (but not including the Gross Revenues of any other Franchised Businesses owned by you that do not include the Gross Revenues of the Independent Business) exceeds 1.25 times Base Year Revenue.

3. **Royalty Incentive.** Section 6.2(a) of the Franchise Agreement is deleted in its entirety and the following is substituted in its place:

A. On the Royalty Due Date of each calendar month beginning the month following the Start Date and continuing throughout the Term, except as otherwise provided in Sections

6.2(a)(ii) and 6.2(a)(iii), You will pay to CKFI a Royalty Fee equal to the greater of the Minimum Royalty Fee or 5% of Gross Revenue for the immediately preceding calendar month.

B. To the extent provided in Section 7.3 relating to failure to meet the Minimum Performance Standards, You will pay a monthly Royalty Fee calculated as set forth in Section 6.2(a)(i) on the greater of Your actual Gross Revenue or the MPS Gross Revenue applicable to Your Franchised Business.

C. With respect to Gross Revenue of the Franchised Business that accrues during the Incentive Period, You will not be required to pay a Royalty Fee. With respect to Gross Revenue of the Franchised Business that accrues after the expiration or earlier termination of the Incentive Period, You will pay a Royalty Fee calculated in accordance with Section 6.2(a)(i) or Section 6.2(a)(ii), as applicable.

D. If, at any time in which You are not required to pay a Royalty Fee in connection with the Franchised Business pursuant to Section 6.2(a)(iii), You cease to be in Good Standing, upon notice to You from CKFI, Section 6.2(a)(iii) and the Incentive Period will be deemed terminated as of the date of such notice, and You must immediately begin paying a Royalty Fee calculated in accordance with Sections 6.2(a)(i) or Section 6.2(a)(ii), as applicable.

4. **Effect on Franchise Agreement**. Except as expressly modified by this Amendment, the Franchise Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

YOU:	**CKFI:**
_____	**CK FRANCHISING, INC.**
By: _____	By:_____
Name: _____	Name:_____
Title: _____	Title:_____

EXHIBIT D-9

FRANCHISE AGREEMENT AMENDMENT REQUIRED

FOR LICENSURE IN THE STATE OF NEW YORK

EXHIBIT D-9

FRANCHISE AGREEMENT AMENDMENT
REQUIRED FOR LICENSURE IN THE STATE OF NEW YORK

Solely for purposes of complying with the requirements of New York law for the licensure of home care services agencies, CK Franchising, Inc. ("Franchisor"), and _____ ("Franchisee"), hereby amend and supplement franchise agreement dated as of _____ ("Franchise Agreement") between them, by the addition of the following provisions:

1. Franchisee is the governing authority and operator of the home care services agency ("Agency").

2. Franchisee's responsibilities are in no way lessened by entering into the Franchise Agreement. Franchisee has full legal authority over operations and management of the Agency and retains the right and authority to independently adopt, amend and implement policies and procedures regarding the operation of the Agency in order to ensure the provision of quality home care services and that the Agency operates in compliance with all applicable statutes and regulations.

3. The policies, standards, procedures, manuals and other documents developed by Franchisor that relate to the operating standards, policies and procedures for Franchisee shall be available for inspection and copying by the New York Department of Health ("Department") in accordance with the Department's statutory and regulatory authority. Such documents, when received by the Department, shall be subject to the relevant provisions of the Freedom of Information Law including, if applicable, provisions relating to excepting from disclosure documents which are trade secrets or are maintained for the regulation of commercial enterprise which if disclosed would cause substantial injury to the competitive position of the subject enterprise.

4. The Franchise Agreement approved by the commissioner is the sole franchise agreement between the Franchisor and Franchisee for the Agency, or any portion thereof, relating to the geographic service area that is covered by that Franchise Agreement;

5. Franchisee retains:

A. Sole authority to hire or fire Agency staff;

B. Control of the Agency's books and records;

C. Authority over the disposition of assets or the authority to incur liabilities on behalf of the Agency; and

D. Sole authority for the independent adoption of policies and procedures affecting the delivery of health care services. Although Franchisee has agreed to adopt and utilize policies and procedures developed by Franchisor, Franchisee retains authority to independently adopt, amend and implement policies and procedures regarding the operation of the Agency in order to ensure

the provision of quality home care services and that the Agency is operated in compliance with all applicable statutes and regulations.

6. Nothing in this Amendment relieves Franchisee from its obligation to comply with Franchisor's requirements that exceed those required by the Department for licensed home health services agencies or that concern issues unrelated to the operation of a licensed home health services agency.

7. Either party may execute this Amendment by signing manually or affixing their signature blocks and transmitting the signed Amendment to the other party by facsimile or attachment to e-mail. Any Amendment so transmitted is binding on the party so signing and transmitting the Amendment.

8. The parties ratify and affirm the Franchise Agreement as in effect as of the date of this Amendment and as amended by this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

YOU:	**CKFI:**
_____	**CK FRANCHISING, INC.**
By: _____	By:_____
Name: _____	Name:_____
Title: _____	Title:_____

EXHIBIT D-10

FRANCHISEE ACKNOWLEDGMENT

EXHIBIT D-10

FRANCHISEE ACKNOWLEDGMENT

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin franchisees should not complete this Franchisee Acknowledgment. If a franchisee in one of these states does so, CKFI will disregard and not rely on the Franchisee Acknowledgment.

The purpose of this Franchisee Acknowledgment is to determine whether any statements or promises were made to you that CKFI has not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that you may make relating to the offer and sale of the Comfort Keepers® franchise to you and the operation of the Comfort Keepers® business. Please review each of the following questions carefully and provide honest responses to each question. Please feel free to use additional pages if necessary to complete any responses you make.

Acknowledgments and Representations*

1. Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least 14 calendar days before you signed the Franchise Agreement?
□ YES □ NO
If no, please comment:_____
_____
_____

2. Did CKFI unilaterally make any material changes to the Franchise Agreement (including any attachments) after you received the form franchise agreement contained in the Franchise Disclosure Document? □ YES □ NO

If yes, did CKFI provide the revised agreement to you at least seven days before you signed it? □ YES □ NO

3. Other than the Deposit, have you paid any money to CKFI concerning the purchase of this franchise before today? □ YES □ NO If yes, please comment: _____
_____
_____

4. Have you personally studied and reviewed carefully our Franchise Disclosure Document and Franchise Agreement? □ YES □ NO
If "No," do you wish to have more time to review these documents? □ YES □ NO

5. Do you understand all of the information contained in the Franchise Disclosure Document and Franchise Agreement? □ YES □ NO If no, what parts do you not understand? _____
_____
_____

_____ Initials

6. Have you discussed with an attorney, accountant, or other professional advisor the benefits and risks of establishing and operating Comfort Keepers® franchise?
□ YES □ NO If no, do you wish to have more time to do so? □ YES □ NO

7. Was any oral, written, or visual claim or representation made to you that contradicted the disclosures in the Franchise Disclosure Document? □ YES □ NO If yes, please state in detail the oral, written or visual claim or representation:

8. Did any employee or other person speaking on behalf of CKFI make any oral, written, or visual claim, statement, promise or representation to you that stated, suggested, predicted, or projected sales, revenues, earnings, income or profit levels at any Comfort Keepers® location or from your Comfort Keepers® business and that contradicted or supplemented the disclosure in Item 19 of the Franchise Disclosure Document?
□ YES □ NO If yes, please state in detail the oral, written, or visual claim or representation:

9. Did any employee or other person speaking on behalf of CKFI make any oral, written, or visual claim, statement, promise or representation to you concerning the likelihood of success that you should or might expect to achieve from operating a Comfort Keepers® franchise? □ YES □ NO If yes, please state in detail the oral, written, or visual claim or representation:

10. Do you understand that the franchise granted is for the right to operate a Comfort Keepers® business within the zip codes listed in Attachment 1 to the Franchise Agreement ("Your Territory") and do you understand your rights and protections, and the rights of others, including other franchisees, us, and our Affiliates, with respect to Your Territory?
□ YES □ NO

If no, please comment:

_____ Initials

11. Do you understand that the Franchise Agreement (together with any representations in the Franchise Disclosure Document) contains the entire agreement between you and us concerning your Comfort Keepers® franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement or the Franchise Disclosure Document will not be binding? □ YES □ NO If no, please comment: _____

_____

_____

12. Do you understand that the success of your Comfort Keepers® franchise will depend in large part on your skills and abilities, the local market for services you offer under the Franchise Agreement, competition from other businesses, and other economic and business factors?
□ YES □ NO If no, please comment: _____

_____

_____

13. Do you understand that your Comfort Keepers® business will be required to meet minimum performance standards and the consequences if it fails to do so? □ YES □ NO If no, please comment: _____

_____

_____

14. Do you understand that the economic, business, and competitive factors that exist at the time you open your Comfort Keepers® business may change? □ YES □ NO
If no, please comment: _____

_____

_____

15. Have you carefully reviewed and do you understand the restrictions on your business activities both within and outside Your Territory, both during the term of the Franchise Agreement as well as for two years after the Franchise Agreement expires or is terminated?
□ YES □ NO
If no, please comment: _____

_____

_____

16. Do you understand that the restrictions on your business activities apply to each person holding a direct or indirect beneficial interest in the franchisee entity (including spouses) and that violation of the restrictions by any such person may result in an injunction and (if such actions occur during the term of the Franchise Agreement) default and termination of the Franchise Agreement? □ YES □ NO If no, please comment: _____

_____

_____

17. Do you understand that, at the end of the initial term of the Franchise Agreement, if you wish to renew your franchise you must sign the form of franchise agreement that CKFI is then offering to new franchisees and that the terms of that franchise agreement (including Royalty Fees,

_____ Initials

Brand Fund contributions, and other provisions) may differ materially from the terms of the Franchise Agreement? □ YES □ NO If no, please comment: _____

_____

_____

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Acknowledgment Addendum, you are representing that you have responded truthfully to the above questions.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS BENEFICIAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed:_____	Signed:_____
Printed Name:_____	Printed Name:_____
Date:_____	Date:_____
Signed:_____	Signed:_____
Printed Name:_____	Printed Name:_____
Date:_____	Date:_____

* Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Act.

The Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

_____ Initials

EXHIBIT E

STATE-SPECIFIC ADDENDA TO FRANCHISE AGREEMENT

CK FRANCHISING, INC.

CALIFORNIA AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq. ("CFIL"), and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. ("CRA"), CK Franchising, Inc. ("CKFI") and _____ ("You"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

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

2. The Agreement requires You to execute a general release of claims upon renewal or transfer of the Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void. Section 31512 voids a waiver of Your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of Your rights under the Franchise Relations Act (Business and Professions Code 2000 through 20043).

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

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

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

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

7. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

8. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

9. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of California law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if those jurisdictional requirements are not met.

11. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

12. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name:_____

Title: _____

FRANCHISEE:

If an entity:_____

By:_____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

HAWAII AMENDMENT TO FRANCHISE AGREEMENT

1. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

2. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

3. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Hawaii law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

5. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

6. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

SIGNATURES CONTINUE ON NEXT PAGE

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

ILLINOIS AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of Illinois law, including the Illinois Franchise Disclosure Act of 1987, Ill. Rev. Stat. ch. 815 para. 705/1 – 705/44 (1994) ("Illinois Franchise Act"), CK Franchising, Inc. ("CKFI") and _____ ("Franchisee"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. Section 705/19 and 705/20 of the Illinois Franchise Act provide rights to franchisees concerning nonrenewal and termination of a franchise. If the Agreement contains a provision that is inconsistent with the Illinois Franchise Act, the Illinois Franchise Act will control.

2. Section 41 of the Illinois Franchise Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control.

3. Any provision that designates jurisdiction or venue or requires Franchisee to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the state of Illinois.

4. To the extent that Section 12.2 of the Agreement (pertaining to choice of law) conflicts with the Illinois Franchise Act, the Illinois Franchise Act will control.

5. Section 11.1.1 of the Agreement, pertaining to the notice required for a default in payment, shall be amended to provide that termination for such a default will be effective ten days after written notice is given to Franchisee.

6. To the extent that the Illinois Franchise Act prohibits the disclaimer of representations contained in a franchisor's Franchise Disclosure Document, Section 12.18 is amended to include representations made in CKFI's Franchise Disclosure Document to the extent required by law.

7. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

8. Any claims arising under the Illinois Franchise Act must be brought within 3 years after the grant of the franchise.

9. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

10. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

11. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Illinois law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if those jurisdictional requirements are not met.

12. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

INDIANA AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of the Indiana Franchises Act, Ind. Code Ann. §§ 1 –51 (1994) and the Indiana Deceptive Franchise Practices Act, Ind. Code Ann. § 23-2-2.7 (1985) ("DFPA"), CK Franchising, Inc. ("CKFI") and _____ ("_____"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. The DFPA provides rights to franchisees concerning nonrenewal and termination of a franchise. To the extent the Agreement contains a provision that is inconsistent with the DFPA, the DFPA will control.

2. Section 1 of the DFPA forbids that a franchise agreement between a franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana contain certain provisions. To the extent that any provision in the Franchise Agreement contains such a provision, the Agreement is amended to the extent necessary to conform to the DFPA.

3. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

4. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

5. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Indiana law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

7. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

8. All other provisions of the Agreement are hereby ratified and confirmed.

SIGNATURE PAGE FOLLOWS

Dated:_____

CK FRANCHISING, INC.

By:_____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

MARYLAND AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of Maryland law, including the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§ 14-201 – 14-233 (1994) ("Maryland Franchise Law"), CK Franchising, Inc. ("CKFI") and _____ ("you"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. Section 14-226 of the Maryland Franchise Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. To the extent that the Franchise Agreement requires you to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Law in order to purchase your franchise, the Agreement is amended to reflect that such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.

2. Pursuant to COMAR 02.02.08.16L, the Agreement is amended to reflect that:

(a) Any release required as part of the Agreement or as a condition of the sale, renewal, or assignment of the franchise shall not apply to any liability under the Maryland Franchise Law.

(b) Notwithstanding any other provision contained in the Agreement, any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.

(c) Any provision in the Agreement which requires litigation to be conducted in a forum other than the State of Maryland shall not limit any rights you may have under the § 14-216(c)(25) of the Maryland Franchise Law to bring suit in the State of Maryland.

3. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal (as set forth in Section 4.4.2) shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

5. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

6. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Maryland law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

8. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By:_____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

MICHIGAN AMENDMENT TO FRANCHISE AGREEMENT

1. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

2. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

3. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Michigan law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

5. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

6. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

SIGNATURES CONTINUE ON NEXT PAGE

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of Minnesota law, including the Minnesota Franchises Act, Minn. Stat. Section 80.01 et seq. and the rules and regulations promulgated thereunder, CK Franchising, Inc. ("CKFI") and _____ ("you"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. The Minnesota Department of Commerce requires that CKFI indemnify you against liability to third parties for infringement resulting from your use of the trademarks licensed under the Agreement. Section 9.5 of the Agreement describes the circumstances under which CKFI will indemnify you against third party liability for trademark infringement. Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in Section 9.5 of the Agreement.

2. Sec. 80C.14, Subd. 4 of the Minnesota Franchises Act requires, except in certain specified instances, that CKFI give you written notice of its intention not to renew the franchise 180 days before the franchise expires, and to give you sufficient opportunity to operate the franchise in order to enable you to recover the fair market value of the franchise as a going concern. Requirements imposed under the Minnesota Franchise Act will supersede inconsistent provisions contained in the Agreement.

3. Sec. 80C.14, Subd. 3 of the Minnesota Franchises Act requires, except in certain specified instances, that CKFI give you ninety (90) days' notice of termination (with sixty (60) days to cure). Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in the Agreement.

4. Any release of claims or acknowledgment of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Minnesota Franchises Act or a rule or order promulgated thereunder will be void with respect to claims arising under the Minnesota Franchises Act.

5. Sec. 80C.17, Subd. 5 of the Minnesota Franchises Act provides that no action may be commenced thereunder more than three (3) years after the cause of action accrues. To the extent that Section 12.10 conflicts with this law, the law will control.

6. Secs. 80C.21 of the Minnesota Franchises Act and Minn. Rule 2860.4400J prohibit CKFI from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, requiring you to consent to liquidated damages, termination, penalties or judgment notes, or requiring you to consent to the issuance of an injunction. Nothing in the Agreement will, or is intended to, abrogate or reduce any of your rights as provided for in the Minnesota Franchises Act or your rights to any procedure, forum or remedies provided for by the laws of the Minnesota.

7. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

8. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

9. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Minnesota law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

11. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

12. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By:_____

Name:_____

Title: _____

SIGNATURES CONTINUE ON NEXT PAGE

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

NEW YORK AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of New York Law, including the New York General Business Law, Article 33, §§ 680 – 695 (1989) ("New York Law"), CK Franchising, Inc. ("CKFI") and _____ ("_____"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. To the extent that the Agreement requires you to sign a release or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the New York Law or a rule or order promulgated thereunder, such release or acknowledgment of fact will be void with respect to claims arising under the New York. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the New York Law be satisfied.

2. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

3. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

4. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

5. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of New York Law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

6. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

7. All other provisions of the Agreement are hereby ratified and confirmed.

SIGNATURES PAGE FOLLOWS

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, §§ 51-09-01 through 51-19-17 (1993) ("NDFIL"), CK Franchising, Inc. ("CKFI") and _____ ("you"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. Covenants not to compete are enforceable only under certain conditions under North Dakota law. If the Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

2. If the Agreement requires litigation, arbitration or mediation to be conducted in a jurisdiction other than North Dakota, the requirement is void. Any litigation, arbitration or mediation under the Agreement will be conducted in North Dakota or a mutually agreed upon location.

3. If the Agreement requires that the Agreement be governed by a state law other than North Dakota, the requirement may be unenforceable in North Dakota.

4. If the Agreement requires payment of a termination penalty or liquidation penalty, the requirement is void.

5. If the Agreement requires you to consent to a waiver of exemplary and/or punitive damages, the requirement is void.

6. If the Agreement requires you to consent to a waiver of trial by jury, the requirement is void.

7. If the Agreement requires that you consent to a limitations of claims, the requirement is void and the statute of limitations under North Dakota law will apply.

8. If the Agreement requires that you consent to payment of all costs and expenses incurred in the enforcement of the Agreement, the requirement is void. The prevailing party in any such action is entitled to recover all costs and expenses, including attorneys' fees.

9. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

10. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

11. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

12. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of North Dakota law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

13. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

14. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By:_____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

RHODE ISLAND AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of the Rhode Island Franchise Investment Act, R.I. Gen. Law. ch. 395 §§ 19-28, 1-1 – 19.28.1-34 ("RIFIA") and the Rhode Island Fair Dealership Act, R.I. Gen. Law, ch. 50 §§ 6-50-1 – 6-50-9 ("RIFDA") , CK Franchising, Inc. ("CKFI") and _____ ("you"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

1. Section 19-28.1-14 of the RIFIA provides that any provision in a franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to claims otherwise enforceable under the RIFIA. Sections 12.7 and 12.8 of the Agreement (pertaining to forum selection) and Section 12.2 of the Agreement (pertaining to choice of law) are hereby amended to the extent necessary to comply with this law.

2. Section 6-50-4 of the RIFDA requires, except in certain specified instances, 60 days' prior written notice of termination, cancellation or non-renewal of the Agreement. These requirements will supersede inconsistent provisions of the Agreement.

3. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

4. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

5. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Rhode Island law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

7. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

8. All other provisions of the Agreement are hereby ratified and confirmed.

SIGNATURE PAGE FOLLOWS

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

SOUTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

1. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

2. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

3. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of South Dakota law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

5. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

6. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

SIGNATURES CONTINUE ON NEXT PAGE

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

VIRGINIA AMENDMENT TO FRANCHISE AGREEMENT

1. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

2. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

3. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Each provision of this Amendment will be effective only to the extent that the jurisdictional requirements of Virginia law applicable to the provisions are met independent of this Amendment. This Amendment will have no force or effect if such jurisdictional requirements are not met.

5. CKFI reserves the right to challenge the enforceability of any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement.

6. All other provisions of the Agreement are hereby ratified and confirmed.

Dated:_____

CK FRANCHISING, INC.

By: _____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

SIGNATURES CONTINUE ON NEXT PAGE

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A person who directly or indirectly engages in the offer or sale of franchises is a "franchise broker" as defined in RCW 19.100.010(7) and is subject to registration as such pursuant to RCW 19.100.0140. A franchisee who receives a referral fee may need to register as a franchise broker.

RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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 franchise, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Dated:_____

CK FRANCHISING, INC.

By:_____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

CK FRANCHISING, INC.

WISCONSIN AMENDMENT TO FRANCHISE AGREEMENT

For purposes of complying with the requirements of Wisconsin law, including Ch. 135, Stats., the Wisconsin Fair Dealership Law, CK Franchising, Inc. ("CKFI") and _____ ("you"), hereby amend the Franchise Agreement between them dated _____ ("Agreement") as follows:

WISCONSIN LAW MODIFICATIONS

1. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement is hereby amended to add the following provision:

> For all franchises sold in the State of Wisconsin, the Company will provide Franchisee at least 90 days' prior written notice of termination, cancellation, nonrenewal or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, nonrenewal or substantial change in competitive circumstances and will provide that Franchisee have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice will be void. These notice requirements shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Franchisee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between the Company and Franchisee inconsistent with the Law.

3. In Sections 12.6 and 12.18 of the Agreement, Sections 5(g) and (j) of Exhibit D-1 of the disclosure document (Franchise Deposit Agreement), and Article VIII, Section I of Exhibit D-6 of the disclosure document (HIPAA Business Associate Agreement), any disclaimers that CKFI has made any representations outside of the disclosure document or any exhibit are void and unenforceable.

4. Any statement in Attachment 4 to the Agreement (Agreement and Guaranty of Related Parties) that the guarantors have read the Franchise Agreement is void and unenforceable.

5. 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Each provision of this State Addendum shall be effective only to the extent that the jurisdictional requirements of Wisconsin law, with respect to each such provision, are met independent of this State Addendum. This State Addendum shall have no force or effect if such jurisdictional requirements are not met.

SIGNATURE PAGE FOLLOWS

Dated:_____

CK FRANCHISING, INC.

By:_____

Name: _____

Title: _____

FRANCHISEE:

If an entity:_____

By: _____

Name: _____

Title: _____

If individuals:

By: _____

Name: _____

Title: An Individual

By: _____

Name: _____

Title: An Individual

EXHIBIT F

PROMISSORY NOTE

PROMISSORY NOTE
(Initial Franchise Fee – Start-Up Agreement)

$_____ [Date]

FOR VALUE RECEIVED, the undersigned _____, a[n] __ _____ (jointly and severally, "**Franchisee**"), promises to pay to CK Franchising, Inc., an Ohio corporation ("**CKFI**"), the principal sum of $_____, together with interest on the unpaid principal balance at the rate of 6% per year. This promissory note ("**Note**") is executed by Franchisee in connection with Franchisee's execution of a Comfort Keepers® franchise agreement dated _____ ("**Franchise Agreement**") for Comfort Keepers Unit # _____ ("**Franchised Business**").

1. Monthly Payment; Final Payment. Franchisee shall pay the principal and interest under this Note in 18 consecutive monthly installments of $_____ each. The first monthly payment is due on the _____ day of _____, 20___, and each successive monthly payment is due on the ____ _____ day of each succeeding month through and including _____ ("**Maturity Date**"). If not sooner paid, the entire outstanding principal balance and all accrued and unpaid interest under this Note shall be due and payable on the Maturity Date.

2. Optional Prepayment. Franchisee may prepay any portion of the outstanding principal and accrued interest under this Note at any time without penalty. All payments made under this Note shall be applied first against fees due (including EFT transfer fees, service fees, and related fees), next against accrued interest, and then against principal.

3. Late Charges. If Franchisee fails to pay any principal or interest payable under this Note within five days of the date the payment is due (calculated by including the due date), Franchisee must pay to CKFI a late charge of $225.

4. EFT Payments. CKFI may withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of the monthly payment due in accordance with this Note. CKFI will make each EFT withdrawal of payment due and any applicable late fee, or other fees, on the due date. Franchisee is responsible for any EFT transfer fee or similar charge imposed by Franchisee's bank and for any service charges incurred by CKFI and/or imposed by Franchisee's bank if any EFT is not honored by Franchisee's bank for any reason.

5. Events of Default. Each of the following is an Event of Default:

a. Franchisee's failure to pay any principal, interest or other charge payable under this Note within 10 days of the date the payment is due (calculated by including the due date).

b. Franchisee's failure to pay royalty fees or other amounts due under the Franchise Agreement within 10 days of the date the payment is due (calculated by including the due date).

c. CKFI's sending Franchisee and/or any Related Party (as that term is defined in the Franchise Agreement) a notice of default under any Comfort Keepers® franchise agreement between Franchisee and CKFI and/or any Comfort Keepers franchise agreement in which any Related Party of Franchisee owns or holds an interest.

d. Franchisee's and/or any owner's sale, transfer or other assignment, voluntary or involuntary, of its interest in the Franchised Business, in Franchisee, and/or in or under the Franchise Agreement.

e. Termination, whether voluntary or involuntary, of the Franchise Agreement.

f. Franchisee's ceasing to operate the Franchised Business.

6. Remedies. Upon the occurrence of an Event of Default, CKFI may, at its option, accelerate the Maturity Date and declare the entire unpaid principal balance of this Note, together with interest accrued and accruing thereon, to be immediately due and payable and pursue any other rights and remedies of CKFI. Franchisee and all other persons liable or to become liable on this Note, agree jointly and severally to pay all costs of collection, including reasonable attorneys' fees and all costs of suit.

7. Notice of Presentment. Franchisee and all endorsers, sureties, guarantors and other persons liable on this Note or who become liable for the payment of this Note, jointly and severally waive demand, presentment, notice of nonpayment or dishonor, notice of protest and any and all delays or lack of diligence in the enforcement of this Note and consent to each and any extension or postponement of the time of payment and waive any and all notice of any such extension or postponement.

8. No Waiver by CKFI. No delay, failure or forbearance on the part of CKFI in exercising any right, remedy or privilege under this Note shall affect that right, remedy or privilege, nor shall any single or partial exercise of any right, remedy, or privilege, or any abandonment or discontinuance of steps to enforce such a right, remedy or privilege preclude any further exercise of it or the exercise of any other rights, remedies or privileges.

9. Notices; Place of Payment. All notices, consents or communications permitted to be given under this Note shall be in writing and shall be deemed to have been properly given and received (i) if sent by hand delivery, then upon delivery, (ii) if sent by overnight courier or United States Express Mail, then one (1) day after dispatch, and (iii) if mailed by certified or registered U.S. mail, postage prepaid and return receipt requested, then two (2) days after deposit in the mail. All payments, notices and communications shall be made or given to the parties at their respective addresses set forth below, or at such other addresses as either party may designate by notice in accordance with the terms of this Section.

In the case of Franchisee:

The address for notices to Franchisee under the Franchise Agreement

In the case of CKFI:

CK Franchising, Inc.
1 Park Plaza, Suite 300
Irvine, CA 92614
Attention: Ramzi Abdine, Chief Executive Officer

10. Choice of Law. This Note and all amendments of it shall be governed by and construed in accordance with the law of the State of Ohio applicable to contracts made and to be performed in Ohio.

11. Choice of Forum; Service of Process. Franchisee consents to the jurisdiction of the State and Federal courts sitting in California in any action arising out of or connected in any way with this Note. Franchisee further agrees that the service of process or of any other papers upon it by registered mail at the address set forth in this Note shall be deemed good, proper and effective service upon Franchisee.

FRANCHISEE
If an entity:

_____

By_____
Name:_____
Title:_____

By_____
Name:_____
Title:_____

If individuals:

By: _____

Name:_____

Title: An Individual

By: _____

Name: _____

Title: An Individual

PROMISSORY NOTE
(Unassigned Zip Codes)

$_____ [Date]

FOR VALUE RECEIVED, the undersigned _____, a[n] __ _____ (jointly and severally, "**Franchisee**"), promises to pay to CK Franchising, Inc., an Ohio corporation ("**CKFI**"), the principal sum of $_____, together with interest on the unpaid principal balance at the rate of 6% per year. This promissory note ("**Note**") is executed by Franchisee in connection with Franchisee's execution of a Comfort Keepers® franchise agreement dated _____ ("**Franchise Agreement**") for Comfort Keepers Unit # _____ ("**Franchised Business**").

1. Monthly Payment; Final Payment. Franchisee shall pay the principal and interest under this Note in 12 consecutive monthly installments of $_____each. The first monthly payment is due on the _____ day of _____, 20___, and each successive monthly payment is due on the ____ _____ day of each succeeding month through and including _____ ("**Maturity Date**"). If not sooner paid, the entire outstanding principal balance and all accrued and unpaid interest under this Note shall be due and payable on the Maturity Date.

2. Optional Prepayment. Franchisee may prepay any portion of the outstanding principal and accrued interest under this Note at any time without penalty. All payments made under this Note shall be applied first against fees due (including EFT transfer fees, service fees, and related fees), next against accrued interest, and then against principal.

3. Late Charges. If Franchisee fails to pay any principal or interest payable under this Note within five days of the date the payment is due (calculated by including the due date), Franchisee must pay to CKFI a late charge of $225.

4. EFT Payments. CKFI may withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of the monthly payment due in accordance with this Note. CKFI will make each EFT withdrawal of payment due and any applicable late fee, or other fees, on the due date. Franchisee is responsible for any EFT transfer fee or similar charge imposed by Franchisee's bank and for any service charges incurred by CKFI and/or imposed by Franchisee's bank if any EFT is not honored by Franchisee's bank for any reason.

5. Events of Default. Each of the following is an Event of Default:

a. Franchisee's failure to pay any principal, interest or other charge payable under this Note within 10 days of the date the payment is due (calculated by including the due date).

b. Franchisee's failure to pay royalty fees or other amounts due under the Franchise Agreement within 10 days of the date the payment is due (calculated by including the due date).

c. CKFI's sending Franchisee and/or any Related Party (as that term is defined in the Franchise Agreement) a notice of default under any Comfort Keepers® franchise agreement between Franchisee and CKFI and/or any Comfort Keepers franchise agreement in which any Related Party of Franchisee owns or holds an interest.

d. Franchisee's and/or any owner's sale, transfer or other assignment, voluntary or involuntary, of its interest in the Franchised Business, in Franchisee, and/or in or under the Franchise Agreement.

e. Termination, whether voluntary or involuntary, of the Franchise Agreement.

f. Franchisee's ceasing to operate the Franchised Business.

6. Remedies. Upon the occurrence of an Event of Default, CKFI may, at its option, accelerate the Maturity Date and declare the entire unpaid principal balance of this Note, together with interest accrued and accruing thereon, to be immediately due and payable and pursue any other rights and remedies of CKFI. Franchisee and all other persons liable or to become liable on this Note, agree jointly and severally to pay all costs of collection, including reasonable attorneys' fees and all costs of suit.

7. Notice of Presentment. Franchisee and all endorsers, sureties, guarantors and other persons liable on this Note or who become liable for the payment of this Note, jointly and severally waive demand, presentment, notice of nonpayment or dishonor, notice of protest and any and all delays or lack of diligence in the enforcement of this Note and consent to each and any extension or postponement of the time of payment and waive any and all notice of any such extension or postponement.

8. No Waiver by CKFI. No delay, failure or forbearance on the part of CKFI in exercising any right, remedy or privilege under this Note shall affect that right, remedy or privilege, nor shall any single or partial exercise of any right, remedy, or privilege, or any abandonment or discontinuance of steps to enforce such a right, remedy or privilege preclude any further exercise of it or the exercise of any other rights, remedies or privileges.

9. Notices; Place of Payment. All notices, consents or communications permitted to be given under this Note shall be in writing and shall be deemed to have been properly given and received (i) if sent by hand delivery, then upon delivery, (ii) if sent by overnight courier or United States Express Mail, then one (1) day after dispatch, and (iii) if mailed by certified or registered U.S. mail, postage prepaid and return receipt requested, then two (2) days after deposit in the mail. All payments, notices and communications shall be made or given to the parties at their respective addresses set forth below, or at such other addresses as either party may designate by notice in accordance with the terms of this Section.

In the case of Franchisee:

The address for notices to Franchisee under the Franchise Agreement

In the case of CKFI:

CK Franchising, Inc.
1 Park Plaza, Suite 300
Irvine, CA 92614
Attention: Ramzi Abdine, Chief Executive Officer

10. Choice of Law. This Note and all amendments of it shall be governed by and construed in accordance with the law of the State of Ohio applicable to contracts made and to be performed in Ohio.

11. Choice of Forum; Service of Process. Franchisee consents to the jurisdiction of the State and Federal courts sitting in California in any action arising out of or connected in any way with this Note. Franchisee further agrees that the service of process or of any other papers upon it by registered mail at the address set forth in this Note shall be deemed good, proper and effective service upon Franchisee.

FRANCHISEE
If an entity:

_____

By_____
Name:_____
Title:_____

By_____
Name:_____
Title:_____

If individuals:

By: _____

Name:_____

Title: An Individual

By: _____

Name: _____

Title: An Individual

PROMISSORY NOTE
(Initial Franchise Fee – Expansion Agreement)

$_____ [Date]

FOR VALUE RECEIVED, the undersigned _____, a[n] __ _____ (jointly and severally, "**Franchisee**"), promises to pay to CK Franchising, Inc., an Ohio corporation ("**CKFI**"), the principal sum of $_____, together with interest on the unpaid principal balance at the rate of 6% per year. This promissory note ("**Note**") is executed by Franchisee in connection with Franchisee's execution of a Comfort Keepers® franchise agreement dated _____ ("**Franchise Agreement**") for Comfort Keepers Unit # _____ ("**Franchised Business**").

1. Monthly Payment; Final Payment. Franchisee shall pay the principal and interest under this Note in 30 consecutive monthly installments of $_____each. The first monthly payment is due on the _____ day of _____, 20___, and each successive monthly payment is due on the ____ _____ day of each succeeding month through and including _____ ("**Maturity Date**"). If not sooner paid, the entire outstanding principal balance and all accrued and unpaid interest under this Note shall be due and payable on the Maturity Date.

2. Optional Prepayment. Franchisee may prepay any portion of the outstanding principal and accrued interest under this Note at any time without penalty. All payments made under this Note shall be applied first against fees due (including EFT transfer fees, service fees, and related fees), next against accrued interest, and then against principal.

3. Late Charges. If Franchisee fails to pay any principal or interest payable under this Note within five days of the date the payment is due (calculated by including the due date), Franchisee must pay to CKFI a late charge of $225.

4. EFT Payments. CKFI may withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of the monthly payment due in accordance with this Note. CKFI will make each EFT withdrawal of payment due and any applicable late fee, or other fees, on the due date. Franchisee is responsible for any EFT transfer fee or similar charge imposed by Franchisee's bank and for any service charges incurred by CKFI and/or imposed by Franchisee's bank if any EFT is not honored by Franchisee's bank for any reason.

5. Events of Default. Each of the following is an Event of Default:

a. Franchisee's failure to pay any principal, interest or other charge payable under this Note within 10 days of the date the payment is due (calculated by including the due date).

b. Franchisee's failure to pay royalty fees or other amounts due under the Franchise Agreement within 10 days of the date the payment is due (calculated by including the due date).

c. CKFI's sending Franchisee and/or any Related Party (as that term is defined in the Franchise Agreement) a notice of default under any Comfort Keepers® franchise agreement between Franchisee and CKFI and/or any Comfort Keepers franchise agreement in which any Related Party of Franchisee owns or holds an interest.

d. Franchisee's and/or any owner's sale, transfer or other assignment, voluntary or involuntary, of its interest in the Franchised Business, in Franchisee, and/or in or under the Franchise Agreement.

e. Termination, whether voluntary or involuntary, of the Franchise Agreement.

f. Franchisee's ceasing to operate the Franchised Business.

6. Remedies. Upon the occurrence of an Event of Default, CKFI may, at its option, accelerate the Maturity Date and declare the entire unpaid principal balance of this Note, together with interest accrued and accruing thereon, to be immediately due and payable and pursue any other rights and remedies of CKFI. Franchisee and all other persons liable or to become liable on this Note, agree jointly and severally to pay all costs of collection, including reasonable attorneys' fees and all costs of suit.

7. Notice of Presentment. Franchisee and all endorsers, sureties, guarantors and other persons liable on this Note or who become liable for the payment of this Note, jointly and severally waive demand, presentment, notice of nonpayment or dishonor, notice of protest and any and all delays or lack of diligence in the enforcement of this Note and consent to each and any extension or postponement of the time of payment and waive any and all notice of any such extension or postponement.

8. No Waiver by CKFI. No delay, failure or forbearance on the part of CKFI in exercising any right, remedy or privilege under this Note shall affect that right, remedy or privilege, nor shall any single or partial exercise of any right, remedy, or privilege, or any abandonment or discontinuance of steps to enforce such a right, remedy or privilege preclude any further exercise of it or the exercise of any other rights, remedies or privileges.

9. Notices; Place of Payment. All notices, consents or communications permitted to be given under this Note shall be in writing and shall be deemed to have been properly given and received (i) if sent by hand delivery, then upon delivery, (ii) if sent by overnight courier or United States Express Mail, then one (1) day after dispatch, and (iii) if mailed by certified or registered U.S. mail, postage prepaid and return receipt requested, then two (2) days after deposit in the mail. All payments, notices and communications shall be made or given to the parties at their respective addresses set forth below, or at such other addresses as either party may designate by notice in accordance with the terms of this Section.

In the case of Franchisee:

The address for notices to Franchisee under the Franchise Agreement

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CK Franchising, Inc.
1 Park Plaza, Suite 300
Irvine, CA 92614
Attention: Ramzi Abdine, Chief Executive Officer

10. Choice of Law. This Note and all amendments of it shall be governed by and construed in accordance with the law of the State of Ohio applicable to contracts made and to be performed in Ohio.

11. Choice of Forum; Service of Process. Franchisee consents to the jurisdiction of the State and Federal courts sitting in California in any action arising out of or connected in any way with this Note. Franchisee further agrees that the service of process or of any other papers upon it by registered mail at the address set forth in this Note shall be deemed good, proper and effective service upon Franchisee.

FRANCHISEE
If an entity:

_____

By_____
Name:_____
Title:_____

By_____
Name:_____
Title:_____

If individuals:

By: _____

Name:_____

Title: An Individual

By: _____

Name: _____

Title: An Individual

EXHIBIT G

SUPPLEMENTAL DISCUSSION

OF SPECIAL INDUSTRY LAWS

SUPPLEMENTAL DISCUSSION
ON SPECIAL INDUSTRY LAWS

Item 1 of the franchise disclosure document contains a brief discussion of laws that may apply to the home health care industry. Please review and consider the following additional information that may apply to your operation of your Franchised Business:

1. Licensure and Registration

Some states have licensing or registration requirements applicable to the services you will be providing in your Franchised Business. You may therefore be required to register or obtain a license as a home health agency and to comply with the screening, education, and training requirements for health care workers, which may differ from our requirements. You may also, as we have indicated in Item 7, need to use the services of an R.N. or other professional to provide Client assessment, training of caregivers in personal care services, and quality assurance. States requiring licensure also generally impose a fee for licensure; typically you must renew your licensure every 1 to 2 years. You should investigate any applicable laws in your state and the costs and requirements for you to comply with them.

We believe that, as of February 1, 2023, the following states had licensing or registration requirements for homemaker/companionship services: California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kansas, Minnesota, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, and Washington. We believe that all of those states, plus the following states, had licensure or accreditation requirements for personal care services as of February 1, 2023: Hawaii, Kentucky, Louisiana, Maine, Maryland, Rhode Island, South Carolina, Texas, Utah and Virginia. We believe that, as of February 1, 2023, the following states required registration: California, Massachusetts, and Utah. The state of New York does limit the amount of licenses that it issues and licensing may be difficult. There may be other states with license or Medicaid moratoriums that may limit your ability to obtain licensure or limit the Clients you serve. There may be other states with licensing or registration requirements.

Some states may also have special administrator qualification, recordkeeping, or other requirements for providers who receive payments from Medicaid or other state health programs. Because CKFI recommends that you focus your attention on private pay Clients, it does not track these requirements. Should you decide to provide services to Medicaid-waiver Clients, you should be aware of these laws and investigate them.

2. Regulations Relating to Medicaid-Waiver Services

There are various federal laws, including the Anti-kickback Amendment discussed separately below, prohibiting certain arrangements and activities relating to services or items that are reimbursable by Medicare and Medicaid. Comfort Keepers franchisees are not authorized to provide Medicare services, but certain of these laws apply even if you are not providing services that are reimbursable by Medicare or Medicaid. These laws apply, and you must abide by them, if (a) you are providing services to a facility that receives Medicaid or Medicare funds, regardless of whether the services you are providing to the Clients are covered by Medicare or Medicaid, or (b) you are providing services to a Medicaid-waiver Client.

In addition, there are federal and state laws ("false claims acts") that prohibit the making of false or fraudulent claims for payment to the federal or state government (such as a claim for Medicaid-waiver services). These false claims acts may result in liability for significant fines and/or exclusion from the Medicaid program.

3. Fee-Splitting Prohibitions

As a natural part of your networking to build business, you will be developing relationships with health care providers to obtain their referrals. You may develop similar referral relationships, or referral opportunities, through non-health care businesses. Although fees for referrals are often considered legitimate business arrangements, you should be aware of the following and investigate whether these or similar laws apply in your state:

a. In some states, your Franchised Business may be considered a health care provider because you provide personal care services. Some states prohibit health care providers from splitting professional fees—that is, paying a portion of a professional fee earned by a health care provider for providing a health care service with another person or entity that does not provide the same type of services. These statutes can be quite broad.

b. Several states also prohibit fee-splitting or shared compensation arrangements when the payment received for providing equipment or furnishing personnel services is a percentage of, or depends upon, the income or receipts of the licensed professional.

c. Some states prohibit only fee-splitting arrangements that are based on referrals.

d. Some health care professionals have used these laws to declare a contract requiring payment of such fees void as against public policy and thus avoid payment under the contract.

4. Federal and State Anti-Kickback Laws

The federal "Anti-kickback Amendment," part of the Social Security Act, prohibits the offer, payment, solicitation or receipt of any form of compensation for either (a) referring Medicare or state health program patients (such as Medicaid-waiver clients) or patient care opportunities, or (b) for recommending, arranging for, purchasing, leasing, or ordering items or services that are covered by Medicare or a state health program. Violation of the Anti-kickback Amendment is a felony and carries the possibility of imprisonment, a fine, or both. Courts have broadly interpreted the Anti-Kickback Amendment.

In addition, some states have enacted laws that broadly prohibit payments for referrals or other types of "kickbacks," regardless of whether the client is under a state or federal health program.

5. Wage and Hour Issues

The Department of Labor determined that there is no longer an exemption from minimum wage and overtime obligations under a "companionship" exemption for certain employees who provide companionship services to the elderly or infirm under the Federal Fair Labor Standards Act. This decision has been upheld by the courts so franchisees must pay minimum wage and overtime to caregivers

CKFI does not dictate your employment policies or practices; those decisions are your own. We recommend that, should you consider using the "companionship" exemption, you obtain competent legal counsel to review whether the exemption still exists and, on a case by case basis, whether it applies to a caregiver working for you.

6. General

An increasing number of states are enacting laws and/or regulations that apply to home care businesses. Both federal and state laws and regulations are modified frequently. Changes to existing laws, and new laws and regulations, may increase your cost of doing business. You should be aware of any changes to the laws applicable to your state and/or your Franchised Business. Although we provide non-legal guidance and assistance to you in obtaining a required license, certification, or accreditation, you are responsible for complying with these laws. We strongly recommend that you consult competent legal counsel regarding the laws described above and any other laws or regulations applicable to your Franchised Business that may be enacted or adopted.

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EXHIBIT I-1

ROSTER OF FRANCHISEES

STATE	OWNER [1]	ADDRESS	CITY	STATE	ZIP	PHONE NUMBER
Alabama	Richard Goedde	80 Spring Branch Road, Ste B	Alexandria	AL	36250	(256) 237-6685
Alabama	Brent Watson	3514 Martin Street S, Suite 101	Cropwell	AL	35054	(205) 338-7909
Alabama	Robert Franklin	28119 N Main St, Ste C	Daphne	AL	36526	(251) 621-5555
Alabama	Richard Goedde	1428 Wheatherly Rd, SE, Ste 200	Huntsville	AL	35803	(256) 382-1955
Alabama	Brian Phillips	3929 Airport Boulevard	Mobile	AL	36609	(251) 202-4860
Alabama	Christopher Jane	119 S 8th St, Ste A	Opelika	AL	36801	(334) 749-8461
Arkansas	Gary Halstead	701 NW McNelly Rd, Ste 5	Bentonville	AR	72712	(479) 268-5668
Arizona	Sheriolyn Curry - 3	1347 N Alma School Rd, Ste 230	Chandler	AZ	85224	(480) 659-9201
Arizona	Cynthia Harris	214 N Sitgreaves St.	Flagstaff	AZ	86001	(928) 774-0888
Arizona	Cynthia Harris	16810 E Avenue of the Fountains, Ste 200B	Fountain Hills	AZ	85268	(480) 459-2800
Arizona	Ryan Schlichter	6499 S Kings Ranch Rd, Ste 8	Gold Canyon	AZ	85118	(480) 701-0530
Arizona	Philip Senff - 4	2400 W Dunlap Ave, Ste 1	Phoenix	AZ	85021	(602) 441-4256
Arizona	Clarissa Johnston - 3	4837 E 5th St, Ste 101	Tucson	AZ	85711	(520) 731-1000
California	Jeffrey Henry - 2	7342 Orangethorpe Ave, Ste B-109	Buena Park	CA	90621	(714) 521-1337
California	Beth Menor	3833 Schaefer Ave, Ste J	Chino	CA	91710	(909) 902-0100
California	Vincent Maffeo	6060 Sunrise Vista Dr., Ste. 1180	Citrus Heights	CA	95610	(916) 560-9100
California	Michael Craig - 2	420 W Baseline Rd, Ste D	Claremont	CA	91711	(909) 625-6151
California	Gyorgy Bassola	830 Orange Avenue, Suite J2	Coronado	CA	92118	(619) 435-6318
California	Myles McNamara - 2	17915 Ventura Blvd, Ste 216	Encino	CA	91316	(818) 776-5060
California	John Hatch - 3	2224 N Fine Avenue, Ste 101	Fresno	CA	93727	(559) 456-8064
California	Karen Brumm	18351 Beach Blvd., Suite H	Huntington Beach	CA	92648	(714) 846-3535
California	Stephen Simmons	1673 Lewis Street	Kingsburg	CA	93631	(559) 897-5161
California	Sheryl LaBrada - 2	11900 La Mirada Blvd, #10	La Mirada	CA	90638	(562) 947-9740
California	Kelleen Corfield - 2	30011 Ivy Glenn Dr, Ste 102-B	Laguna Niguel	CA	92677	(949) 481-6900
California	Sheryl LaBrada	5500 E Atherton St, Suite 200	Long Beach	CA	90815	(562) 947-9740
California	Michael Craig - 2	1902 Westwood Blvd, #214	Los Angeles	CA	90025	(310) 598-3960
California	William Cardenas	5478 Wilshire Blvd, Ste 218	Los Angeles	CA	90036	(323) 932-9777
California	Neil Goforth	901 H Street	Marysville	CA	95901	(530) 749-8800
California	Margaret Ortiz - 2	478 E Yosemite Ave, Ste C	Merced	CA	95340	(209) 726-8007
California	Vincent Maffeo - 2	5831 Stoddard Road, Suite 802	Modesto	CA	95354	(209) 543-0444
California	Paula McMahon	615 Main Street	Morro Bay	CA	93442	(805) 528-8862
California	David Sommerfeld - 2	45445 Portola Ave. Ste. 6	Palm Desert	CA	92260	(760) 340-2166
California	Michael Craig - 2	1147 South Fair Oaks Ave.	Pasadena	CA	91105	(626) 498-2427
California	Jimmy Hammond - 2	31629 Outer Hwy 10 S, Ste. F	Redlands	CA	92373	(951) 682-2660
California	Jimmy Hammond	17050 Arnold Dr.	Riverside	CA	92518	(951) 682-2660
California	Vincent Maffeo - 3	333 University Avenue, Ste 200	Sacramento	CA	95825	(916) 560-9100
California	Vincent Maffeo - 2	3400 Cottage Way #G5	Sacramento	CA	95825	(916) 260-0654

STATE	OWNER [1]	ADDRESS	CITY	STATE	ZIP	PHONE NUMBER
California	Sheri Harvey - 7	4420 Rainier Ave, Ste 202	San Diego	CA	92120	(619) 795-6036
California	Charles Grandelli	1815-D Contra Costa Street	Sand City	CA	93955	(831) 886-0475
California	Myles McNamara - 2	23900 Lyons Ave	Santa Clarita	CA	91321	(661) 287-4200
California	Max Snitkovsky - 2	429 Santa Monica Bvd, Ste 220	Santa Monica	CA	90401	(310) 474-5544
California	Vincent Maffeo	14570 Mono Way, Suite G	Sonora	CA	95370	(209) 532-4500
California	Vincent Maffeo	1625 W March Ln, Suite 201	Stockton	CA	95207	(209) 944-2001
California	Scott Aceto - 2	41593 Winchester Rd, Ste 200	Temecula	CA	92590	(951) 401-4045
California	Andrew Smith - 4	3249 Old Conejo Road	Thousand Oaks	CA	91320	(805) 658-2600
California	Anastasia Preciado - 2	91 Cernon Street, Suite B	Vacaville	CA	95688	(707) 446-0606
California	Anastasia Preciado	123 Court St.	Woodland	CA	95695	(530) 666-4300
Colorado	Katherine Coleman	425 Wilcox Street #170	Castle Rock	CO	80104	(303) 993-1111
Colorado	Nathan Miller - 2	5390 N Academy Blvd, #230	Colorado Springs	CO	80918	(719) 522-9100
Colorado	Katherine Coleman	1633 Fillmore St, Ste 370	Denver	CO	80206	(720) 779-2020
Colorado	Brent Eggeman - 2	6845 Broadway Street	Denver	CO	80221	(303) 457-4200
Colorado	Nathan Miller - 5	10200 E Girard Ave, Ste B-450	Denver	CO	80231	(303) 722-3242
Colorado	Linda Schaffer	691 CR 233, A-6	Durango	CO	81301	(970) 515-7055
Colorado	Ora Lee	514 28 1/4 Road, Ste 5	Grand Junction	CO	81501	(970) 241-8818
Connecticut	Mark McGoldrick	6 Stony Hill Road, Ste 200	Bethel	CT	06801	(203) 924-4949
Connecticut	Mark McGoldrick - 2	116 Cottage Grove Rd, Ste 205	Bloomfield	CT	06002	(860) 242-7739
Connecticut	Nicholas Miller	276 Hazard Ave, S-3	Enfield	CT	06082	(860) 749-0428
Connecticut	Garrett Sullivan	150 Boston Post Road	Madison	CT	06443	(203) 453-2100
Connecticut	Mark McGoldrick - 2	500 Howe Ave, Ste 200	Shelton	CT	06484	(203) 924-4949
Connecticut	Garrett Sullivan	669 Center Street	Wallingford	CT	06492	(203) 697-1030
Connecticut	Garrett Sullivan	785 Broad Street Ext.	Waterford	CT	06385	(203) 453-2100
Connecticut	Mark McGoldrick - 2	181 Post Road West, Suite 17	Westport	CT	06880	(203) 924-4949
Delaware	Jamie Ramage - 3	92 Reads Way, Ste. 207	New Castle	DE	19720	(302) 322-6717
Florida	Matt Auker - 2	498 Palm Springs Dr, Ste 240	Altamonte Springs	FL	32701	(407) 774-4457
Florida	Frederick Svejda	206 S Moon Avenue	Brandon	FL	33511	(813) 649-8191
Florida	David Mahoney - 2	901 S Federal Hwy, Ste 100	Ft. Lauderdale	FL	33316	(954) 825-0155
Florida	Thomas Dean - 3	12480 Brantley Commons Ct	Ft. Myers	FL	33907	(239) 590-8999
Florida	Michelle Ibrahim	1301 North Orange Ave., Ste. 104	Green Cove Springs	FL	32043	(904) 854-0740
Florida	Steve Phillip	450 N. Park Rd, Suite 501	Hollywood	FL	33021	(954) 920-0055
Florida	Lindsey Haller - 2	2244 Hwy 44 W	Inverness	FL	34453	(352) 726-4547
Florida	Kathryn Murphy - 3	12276 San Jose Blvd, Ste 304	Jacksonville	FL	32223	(904) 230-9220
Florida	Tracy Kelley - 4	902 S. Florida Avenue, Ste 201	Lakeland	FL	33803	(863) 701-9100
Florida	Stacey Fuhrman - 4	7411 114th Avenue, Suite 306	Largo	FL	33773	(727) 772-7300
Florida	Tracy Kelley - 2	17901 Hunting Bow Cr, Ste 101	Lutz	FL	33558	(813) 920-4440
Florida	Ryan Kennedy	776 E John Sims Pkwy	Niceville	FL	32578	(850) 279-6310

STATE	OWNER [1]	ADDRESS	CITY	STATE	ZIP	PHONE NUMBER
Florida	Anthony Brooks - 3	1750 W Broadway St, Ste 101	Oviedo	FL	32765	(407) 542-7821
Florida	Ryan Kennedy - 2	1149 Creighton Rd #5	Pensacola	FL	32504	(850) 791-6700
Florida	Thomas Dean	949 Tamiami Trl, Ste 203	Port Charlotte	FL	33953	(941) 235-9111
Florida	Matt Auker - 2	3959 Nova Rd, Ste 26	Port Orange	FL	32127	(386) 322-8882
Florida	Tracy Kelley	2918 Sparta Rd	Sebring	FL	33875	(863) 385-9100
Florida	Frederick Svejda	910 N Pebble Beach Blvd	Sun City Center	FL	33573	(813) 649-8191
Florida	Mathews Thomas - 3	7819 N Dale Mabry Hwy, Ste 200	Tampa	FL	33614	(813) 935-3600
Florida	Patricia Bell	327 S Washington Ave	Titusville	FL	32796	(321) 268-3310
Georgia	Jennifer Jack-Wunder	2475 Northwinds Pkwy, Ste 200	Alpharetta	GA	30009	(770) 753-6457
Georgia	Jennifer Jack-Wunder	205 Waleska Road, Ste 1C	Canton	GA	30114	(770) 887-0499
Georgia	George Abbott	3575 Macon Road, Ste 23	Columbus	GA	31907	(706) 562-1211
Georgia	Carla Brown - 2	990 Iris Drive SW, Ste 101	Conyers	GA	30094	(770) 987-9997
Georgia	Jennifer Jack-Wunder	110 Samaritan Dr, Suite 208	Cumming	GA	30040	(770) 887-0499
Georgia	Jennifer Jack-Wunder	439 Green Street N.W.	Gainesville	GA	30501	(770) 232-6187
Georgia	Greg Johnson - 2	6290 Abbotts Bridge Rd, Ste 302	Johns Creek	GA	30097	(770) 765-0033
Georgia	Mary Lewis - 2	5344 Five Forks Trickum Rd, SW	Lilburn	GA	30047	(470) 299-3192
Georgia	Dale Enix - 2	240 Cherokee St, Ste 302	Marietta	GA	30060	(678) 354-0102
Georgia	Scott Weeks	7370 Hodgson Memorial Dr, Ste C-8	Savannah	GA	31406	(912) 356-0111
Georgia	Scott Register	3470 N Valdosta Rd, Ste F	Valdosta	GA	31602	(229) 241-0002
Iowa	Roxanne Bauer	3420 Elmore Ave.	Davenport	IA	52807	(563) 424-7777
Iowa	James Nickerson	19 S Center St, Ste 2	Marshalltown	IA	50158	(641) 752-0715
Iowa	Shasta Gamble - 2	1300 Metro East Dr, Ste 110	Pleasant Hill	IA	50327	(515) 243-0011
Idaho	Andrew Thornock	820 E Best Ave	Coeur d'Alene	ID	83814	(208) 765-9511
Illinois	Anna Holden - 2	1400 E. Lake Cook Rd, Ste 110	Buffalo Grove	IL	60089	(847) 215-8550
Illinois	Anna Holden - 2	4849 N Milwaukee Ave, Ste 202	Chicago	IL	60630	(847) 215-8550
Illinois	Itay Shalev	1 E Superior St, Ste 605	Chicago	IL	60611	(312) 470-6070
Illinois	Christina Clark	1398 N Oakland Ave	Decatur	IL	62522	(217) 429-6666
Illinois	Anna Holden - 2	675 Tollgate Road, Suite O	Elgin	IL	60123	(847) 215-8550
Illinois	Kathleen Fielmann - 5	977 N. Oaklawn Ave, Ste 106	Elmhurst	IL	60126	(630) 834-8366
Illinois	Eric Augustyn - 3	888 E Belvidere Rd, Ste 302	Grayslake	IL	60030	(847) 231-4100
Illinois	A. Jane Michaelis	1000 Essington Rd	Joliet	IL	60435	(815) 730-7900
Illinois	William Finn	1300 Iroquois Drive, Suite 132	Naperville	IL	60563	(630) 219-4160
Illinois	Michael McGinn - 2	1627 Colonial Pkwy	Palatine	IL	60067	(847) 221-5300
Illinois	Sydney Schmidt - 2	7225 W 105th St	Palos Hills	IL	60465	(708) 598-1900
Illinois	Julie Carnegie Reams	7620 N University St, Suite 103	Peoria	IL	61614	(309) 685-7777
Illinois	Mark Podemski - 3	4855 E State Street, Ste 22	Rockford	IL	61108	(815) 229-9100
Indiana	Douglas Johnson	4334 E Third Street, Suite 200	Bloomington	IN	47401	(812) 822-0145

STATE	OWNER [1]	ADDRESS	CITY	STATE	ZIP	PHONE NUMBER
Indiana	Douglas Johnson	3136 N National Rd, Suite H	Columbus	IN	47201	(812) 372-2222
Indiana	Lisa Webb	3027 N. Thirty Ct.	Connersville	IN	47331	(765) 827-2001
Indiana	Angela Zeck	111 SE 3rd St., Ste. 200	Evansville	IN	47708	(812) 402-5970
Indiana	Steve Oakley - 2	3182 Mallard Cove Lane	Fort Wayne	IN	46804	(260) 484-5858
Indiana	Keith Llanto - 2	6910 N Main St, Ste 3, Unit 47	Granger	IN	46530	(574) 277-4121
Indiana	Marco Ramos	8715 Kennedy Ave	Highland	IN	46322	(219) 838-0808
Indiana	Timothy Paul - 4	1335 Sadlier Circle East Dr.	Indianapolis	IN	46239	(317) 757-6085
Indiana	Steve Oakley	1819 S Plate St	Kokomo	IN	46902	(765) 868-9230
Indiana	Charles Moore	1719 State St, Ste C	La Porte	IN	46350	(219) 362-9800
Indiana	Scott Skinner	1803 South Creasy Lane	Lafayette	IN	47905	(765) 449-9797
Indiana	Angela Zeck	2515 E. Market Street	Logansport	IN	46947	(574) 992-2816
Indiana	Kevin Williams	1417 State St	New Albany	IN	47150	(812) 944-5006
Indiana	Charles Moore	2664 Willlowcreek Rd, Unit C	Portage	IN	46368	(219) 763-9898
Indiana	James Caldwell	635 Ohio Street	Terre Haute	IN	47807	(812) 232-9766
Kentucky	Terrance Stewart	2017 29th St	Ashland	KY	41101	(606) 324-1369
Kentucky	(Jeffrey) Todd McGee	730 Fairview Avenue, Suite A3	Bowling Green	KY	42101	(270) 782-3600
Kentucky	Kevin Williams - 2	3609 Alexandria Pike	Cold Spring	KY	41076	(859) 491-5777
Kentucky	Levi Reames	401 Frederica St, Bldg B, Ste 102	Owensboro	KY	42301	(270) 685-5045
Kentucky	Sarah Short	110 Richie Ln, Ste D	Somerset	KY	42503	(606) 676-9888
Massachusetts	Erin Baker - 2	79 Oak Street	Newton	MA	02464	(617) 916-2825
Massachusetts	Ruth McNaughton - 3	34 Main St. Extension, Ste 403	Plymouth	MA	02360	(508) 746-4800
Massachusetts	Barbara Buggy - 2	2 Franklin St.	Stoneham	MA	02180	(978) 664-6700
Massachusetts	Jeneen Sasso	21G Olympia Ave, Ste 25	Woburn	MA	01801	(781) 721-5522
Maryland	Solange Sol	1202 West Street, Suite 102	Annapolis	MD	21401	(301) 658-6665
Maryland	Merline Jeshuram	145 W Ostend St., Suite 615	Baltimore	MD	21230	(677) 206-5179
Maryland	Nick Bryan	805 E Old Town Road, Suite C	Cumberland	MD	21502	(240) 362-7074
Maryland	Richard Howe	8103 Ocean Gateway	Easton	MD	21601	(410) 822-4414
Maryland	David Gibson	340 W. Patrick St.	Frederick	MD	21701	(240) 651-5876
Maryland	Solange Sol - 3	7310 Ritchie Hwy, Suite 411	Glen Burnie	MD	21061	(301) 296-1822
Maryland	Steven Rothwell - 2	1134 York Rd, Suite 308	Lutherville-Timonium	MD	21093	(443) 275-9029
Maryland	David Gibson - 5	414 Hungerford Dr, Ste 448	Rockville	MD	20850	(301) 340-0100
Maryland	Solange Sol - 2	4518 Beech Rd, Suite 100	Temple Hills	MD	20748	(301) 296-1700
Maine	Sean Welton - 2	661 Main St., Ste #2	Damariscotta	ME	04543	(207) 563-2273
Maine	Roger Duncan - 2	253 US Route 1	Scarborough	ME	04074	(207) 885-9600
Michigan	Roy Schultheiss - 2	701 E. Midland Street	Bay City	MI	48706	(989) 684-8448
Michigan	Larry Irwin	125 Irwin St.	Brooklyn	MI	49230	(517) 481-2177
Michigan	Albert Jones	4029 Lapeer Rd	Burton	MI	48509	(810) 249-2561
Michigan	Krista Kuligowski - 3	42621 Garfield Road, Ste 101B	Clinton Township	MI	48038	(586) 231-0526

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Michigan	John Bryan Dunn	7910 Ann Arbor Street, Ste. 2	Dexter	MI	48130	(734) 418-9186
Michigan	Erin White - 2	33312 Grand River Ave, Ste. 200	Farmington Hills	MI	48336	(248) 919-8760
Michigan	Linnea Freriks - 2	837 Maple Ave, Ste 20	Holland	MI	49423	(616) 395-2653
Michigan	Erin White	903 E. Clinton Street, Suite 102	Howell	MI	48843	(810) 229-0200
Michigan	Thomas LaMacchia	1118 Centennial Way	Lansing	MI	48917	(517) 321-4010
Michigan	Larry Irwin	14989 S Dixie Hwy, Suite C	Monroe	MI	48161	(517) 481-2177
Michigan	Michael Kruckeberg - 2	981 N Mill St	Plymouth	MI	48170	(734) 522-9390
Michigan	Albert Jones	936 Military St	Port Huron	MI	48060	(810) 987-4663
Michigan	Nadine Fish	1601 W. Centre Ave. Lowr 105	Portage	MI	49024	(269) 375-5466
Michigan	Albert Jones	1130 Tienken Ct, Ste 203	Rochester Hills	MI	48306	(248) 651-9880
Michigan	Christopher Butler	18000 Cove St., Ste #203	Spring Lake	MI	49456	(616) 846-5890
Michigan	Russell Knopp	1755 Barlow Street	Traverse City	MI	49686	(231) 929-9044
Michigan	John Bryan Dunn	2836 W Jefferson Ave, Ste 10	Trenton	MI	48183	(734) 676-6643
Minnesota	Thomas Berard	2006 1st Avenue N., Suite 205	Anoka	MN	55303	(763) 786-1000
Minnesota	Manish Parikh - 2	1870 50th St E, Ste 7	Inver Grove Heights	MN	55077	(651) 330-3071
Minnesota	Jennifer Bauernfeind - 4	524 Central Ave	Osseo	MN	55369	(763) 273-4207
Minnesota	Sam Thorson	3735 Roosevelt Road	Saint Cloud	MN	56301	(320) 230-9939
Minnesota	Larvel Bunker - 2	275 East 4th Street, Suite 345	Saint Paul	MN	55101	(651) 796-2540
Minnesota	Thomas Berard	4525 White Bear Pkwy, #231	White Bear Lake	MN	55110	(651) 789-0317
Missouri	Melody Harpur	1918 N. Kingshighway, Ste 109	Cape Girardeau	MO	63701	(573) 339-1777
Mississippi	Brian Phillips	302 Courthouse Rd, Suite C	Gulfport	MS	39501	(228) 867-9700
Mississippi	Brian Phillips	5910 US Hwy 49, Suite 5	Hattiesburg	MS	39401	(601) 296-6300
Mississippi	Brian Phillips	1553 East County Line Rd	Jackson	MS	39211	(601) 206-1234
Mississippi	Larry Todd - 2	499 Gloster Creek Village, Ste. H11	Tupelo	MS	38801	(662) 841-8477
Montana	Melanie Twitchell	95 Indian Trail Rd	Kalispell	MT	59901	(406) 755-4030
North Carolina	Bruce Brennan - 3	1616 Evans Road, Suite 103	Cary	NC	27513	(919) 650-2784
North Carolina	John Reynolds - 3	8000 Corporate Center Dr., Ste. 111	Charlotte	NC	28226	(704) 543-8220
North Carolina	Christopher Couchell	2186 Lynn Road, Suite C	Columbus	NC	28722	(864) 573-2353
North Carolina	John Reynolds	18141 W Catawba Ave. #23	Cornelius	NC	28031	(704) 663-3989
North Carolina	Deborah Huston - 2	915 Bingham Dr.	Fayetteville	NC	28304	(910) 900-8311
North Carolina	Steven Worley	450 Airport Rd	Fletcher	NC	28732	(828) 687-1199
North Carolina	Jane Thompson	1932 Fleming Road	Greensboro	NC	27410	(336) 664-5787
North Carolina	John Reynolds	444 4th Street SW	Hickory	NC	28602	(828) 431-2273
North Carolina	John Reynolds	378 Williamson Rd., Suite 202	Mooresville	NC	28117	(704) 878-2505
North Carolina	John Reynolds	512 Klumac Rd, Ste 11	Salisbury	NC	28144	(704) 630-0370
North Carolina	Kristin Kane	112 Pine Street	Shallotte	NC	28470	(910) 575-5700

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North Carolina	Chad McGlothlin	170 South Page St.	Southern Pines	NC	28387	(910) 246-8000
North Carolina	Alyssa Kelly	219 Racine Dr., Ste. A2	Wilmington	NC	28403	(910) 342-9200
North Dakota	Joel Peterson	1205 4th Ave South #2	Fargo	ND	58103	(701) 237-0004
Nebraska	Richard Magill - 3	8710 F Street, Ste. 128	Omaha	NE	68127	(402) 991-9880
New Hampshire	Doreen Rosimos	55 B Main Street	Keene	NH	03431	(603) 352-2227
New Hampshire	Doreen Rosimos - 2	50 Bridge Street, Suite 306	Manchester	NH	03101	(603) 628-6363
New Hampshire	Martha Swats	12 Yeaton Rd, Ste B6	Plymouth	NH	03264	(603) 536-6060
New Jersey	Stephanie Howe	991 US Hwy 22 W, Ste 200	Bridgewater	NJ	08807	(908) 864-8044
New Jersey	Michael Grim - 2	523 Hollywood Ave., Ste. 207	Cherry Hill	NJ	08002	(856) 857-6120
New Jersey	Steven Ippolito - 2	491 Closter Dock Rd	Closter	NJ	07624	(201) 784-6200
New Jersey	James Winn	7 Lincoln Highway, Ste 216	Edison	NJ	08820	(732) 530-3636
New Jersey	Marc Jeffries - 2	160 Main St, Bldg B, Ste 7	Flemington	NJ	08822	(908) 806-2220
New Jersey	Kelly Marrero - 3	160 S Pitney Rd, Ste 2B	Galloway	NJ	08205	(609) 277-7855
New Jersey	Stephanie Howe	355 Applegarth Rd.	Monroe Township	NJ	08831	(732) 521-1777
New Jersey	Pooja Chandawalla - 3	31 Park St, 2nd Floor	Montclair	NJ	07042	(973) 707-2310
New Jersey	Stephanie Howe	118 Washington St, #100	Morristown	NJ	07960	(908) 741-6400
New Jersey	Anne Fannan	410 Andbro Drive, Unit #1	Pitman	NJ	08071	(856) 582-1054
New Jersey	Stephanie Howe	2360 Rt 33, Ste 103	Robbinsville	NJ	08691	(609) 890-2888
New Jersey	Dipen Patel - 2	350 W. Passaic St.	Rochelle Park	NJ	07662	(201) 880-7089
New Jersey	Kristina Munsch - 2	58 Harmon Cove Towers	Secaucus	NJ	07094	(201) 340-2238
New Jersey	James Winn - 4	697 Broad St.	Shrewsbury	NJ	07702	(732) 710-4289
New Jersey	Stephanie Howe	600 Mule Rd. Ste. #6	Toms River	NJ	08757	(732) 557-0010
New Jersey	Stephanie Howe	1 Mountain Blvd, #3	Warren	NJ	07059	(732) 369-3639
New Mexico	Albert Bernal - 2	9151 High Assets Way NW	Albuquerque	NM	87120	(505) 232-7070
New Mexico	Tonia Crowley	755 S Telshor Blvd, Ste C101	Las Cruces	NM	88011	(575) 521-4400
New Mexico	Linda Schaffer	1202 N Main St, NE, Ste. C-103	Los Lunas	NM	87031	(505) 515-0001
New Mexico	Cindy Lewis	1410 S Main St	Roswell	NM	88203	(575) 624-9999
New Mexico	Roger Duncan	1301 Luisa St, Ste C	Santa Fe	NM	87505	(505) 982-1298
Nevada	Gina Jolliff - 2	2920 N Green Valley Pkwy, Ste. 412	Henderson	NV	89014	(702) 564-2277
Nevada	Gino Catalli	9402 Del Webb Blvd.	Las Vegas	NV	89134	(702) 385-1000
Nevada	Robert Redding	1575 Delucchi Lane, Suite 210	Reno	NV	89502	(775) 770-2000
New York	James Rice	6 Green St	Floral Park	NY	11001	(516) 328-7100
New York	Teresa Nix	1301 Trumansburg Rd, Ste A	Ithaca	NY	14850	(607) 272-0444
New York	Lisa McNee	1120 Avenue of the Americas, 4th Floor	New York	NY	10036	(212) 221-3262
New York	Susan Kryszak	3075 Southwestern Blvd, Ste 206	Orchard Park	NY	14127	(716) 674-0061
New York	Joy Traille	32 N Division St, Suite 2	Peekskill	NY	10566	(914) 734-2616

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New York	Roger Duncan	1163 Pittsford-Victor Rd, Ste 215	Pittsford	NY	14534	(585) 249-0100
New York	Lindsey Lean - 3	8 Manetto Hill Rd, Ste 1	Plainview	NY	11803	(516) 827-4270
New York	Helene Korbin	31 Main Rd, Ste 9	Riverhead	NY	11901	(631) 369-6080
New York	Roger Duncan	1401 Stone Rd, Suite 302	Rochester	NY	14616	(585) 249-0100
New York	Michele Webber - 2	1201 E Fayette St, Suite #12	Syracuse	NY	13210	(315) 474-0444
Ohio	David Yeomans	400 Main Street	Belpre	OH	45714	(740) 373-7125
Ohio	Trudy Hornick	4111 Bradley Circle, NW, #150	Canton	OH	44718	(330) 244-9071
Ohio	John Pearce - 3	3991 Hamilton Middletown Rd, Ste N	Hamilton	OH	45011	(513) 939-1616
Ohio	Trudy Hornick	11 Lincoln Way W, Suite 2D	Massillon	OH	44647	(330) 244-9071
Ohio	Amy Graening - 2	1213 Medina Rd	Medina	OH	44256	(330) 922-4721
Ohio	Paul Burke - 2	368 Blackbrook Rd., Ste 200	Painesville	OH	44077	(440) 721-0100
Ohio	Todd Kuney	2451 N Reynolds Rd	Toledo	OH	43615	(419) 535-7777
Ohio	Paul Burke - 3	8111 Rockside Road, Ste 110	Valley View	OH	44125	(440) 838-5460
Ohio	Patricia Hackett - 7	5761 Chandler Street	Westerville	OH	43082	(614) 263-1998
Ohio	Paul Burke - 2	31025 Center Ridge Rd, Unit 1	Westlake	OH	44145	(440) 734-1111
Ohio	David Mirkin - 2	805 Mahoning Ave	Youngstown	OH	44502	(330) 747-3541
Oregon	Krista Grinstead	354 NE Greenwood Ave, Ste 204	Bend	OR	97701	(541) 241-3225
Oregon	Donna Breaux	1310 Coburg Rd, Ste 10	Eugene	OR	97401	(541) 214-4788
Oregon	Sandra Henriksen - 2	3623 NE John Olsen Avenue	Hillsboro	OR	97124	(503) 855-4415
Oregon	Krista Grinstead - 2	555 SE Martin Luther King Blvd, Suite 105	Portland	OR	97214	(503) 462-1455
Oregon	Valerie Holzmann - 3	1225 NW Murray Rd, Ste 101	Portland	OR	97229	(503) 643-2010
Oregon	Sandra Henriksen	388 State St., #330	Salem	OR	97301	(503) 855-4415
Pennsylvania	Marlin Duncan	241 N Cedar Crest Blvd.	Allentown	PA	18104	(610) 351-9922
Pennsylvania	Ian C. Bongaardt - 3	124 S Maple Street, Suite 108	Ambler	PA	19002	(215) 649-9144
Pennsylvania	Marlin Duncan	3650 Nazareth Pike, Rt. 191	Bethlehem	PA	18017	(610) 759-7554
Pennsylvania	Marlin Duncan	207 W Penn Ave.	Cleona	PA	17042	(717) 954-0110
Pennsylvania	Terry Guberman	3374 Lincoln Way E	Fayetteville	PA	17222	(717) 352-2133
Pennsylvania	Adele Nester - 3	8 W Broadway, Unit 1	Goldsboro	PA	17319	(717) 942-1055
Pennsylvania	Marlin Duncan	261 S Church Street	Hazleton	PA	18201	(570) 450-0890
Pennsylvania	Michele Reisman - 2	101 Greenwood Ave, Ste 204	Jenkintown	PA	19046	(215) 885-9140
Pennsylvania	Jean Engard - 3	1396 Harrisburg Pike	Lancaster	PA	17601	(717) 299-4007
Pennsylvania	Sylvia Williams	296 W Ridge Pike, Ste 206	Limerick	PA	19468	(610) 340-2910
Pennsylvania	Marlin Duncan	418 Union Street	Luzerne	PA	18709	(570) 970-7800
Pennsylvania	Thomas Donohue	2526 Mosside Blvd., Suite A	Monroeville	PA	15146	(412) 457-0880
Pennsylvania	Michele Reisman - 6	1 Winding Drive, Suite 103	Philadelphia	PA	19131	(215) 672-2195
Pennsylvania	Thomas Donohue	5165 Penn Ave.	Pittsburgh	PA	15224	(412) 363-5500
Pennsylvania	Thomas Donohue - 2	5824 Brownsville Rd, 1st Fl	Pittsburgh	PA	15236	(412) 653-6100
Pennsylvania	Corinne Fello	1382 Old Freeport Rd, Ste 2AR	Pittsburgh	PA	15238	(412) 406-7667

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Pennsylvania	Marlin Duncan	1538 W Broad St	Quakertown	PA	18951	(215) 529-6810
Pennsylvania	Marlin Duncan	549 Scranton Carbondale Hwy	Scranton	PA	18508	(570) 307-2273
Pennsylvania	Marlin Duncan	709 N Susquehanna Trail	Selinsgrove	PA	17870	(570) 884-8040
Pennsylvania	Ian C. Bongaardt - 3	920 W Sproul Rd, Suite 001	Springfield	PA	19064	(610) 543-6300
Pennsylvania	David Hellyer	270 Walker Drive, Suite 102W	State College	PA	16801	(814) 861-1600
Pennsylvania	Marlin Duncan	1250 N 9th Street, Suite 103	Stroudsburg	PA	18360	(570) 234-0743
Pennsylvania	Michele Reisman	755 York Rd., Ste. 204	Warminster	PA	18974	(215) 672-2195
Pennsylvania	Ian C. Bongaardt	239 E Market Street, Suite 203	West Chester	PA	19382	(610) 358-1640
Pennsylvania	Jennifer Teller - 2	2209 Quarry Dr, Ste A-12	West Lawn	PA	19609	(610) 678-8000
Pennsylvania	Mark Holte - 2	5500 Brooktree Road, Ste 200	Wexford	PA	15090	(412) 787-0709
Pennsylvania	Andria Larson	1323 E 3rd Street	Williamsport	PA	17701	(570) 322-1414
South Carolina	Joseph Glenn	402 E Greenville St	Anderson	SC	29621	(864) 760-1900
South Carolina	Carol Waldo	110 Traders Cross	Bluffton	SC	29909	(843) 757-7731
South Carolina	David Coker	117 Alpine Cr, Ste 100	Columbia	SC	29223	(803) 462-1808
South Carolina	David Coker	218 Dozier Blvd, Ste A	Florence	SC	29501	(843) 656-1056
South Carolina	Christopher Couchell - 2	1200 Haywood Road	Greenville	SC	29615	(864) 268-8993
South Carolina	David Coker	505 Belle Hall Pkwy, Ste 102	Mount Pleasant	SC	29424	(843) 574-7474
South Carolina	Kristin Kane	3009 A Church St, Suite A	Myrtle Beach	SC	29577	(843) 249-9200
South Carolina	Janet Baumgardner	511 West Ave	North Augusta	SC	29841	(803) 279-7100
South Carolina	Christopher Couchell	791 East Main Street	Spartanburg	SC	29302	(864) 573-2353
South Carolina	David Coker	1710 Old Trolley Road, Suite D	Summerville	SC	29485	(843) 934-2754
South Carolina	David Coker	1216 Alice Dr	Sumter	SC	29150	(803) 773-0099
South Carolina	Carol Waldo	3214 Leaphart Rd, Ste C	West Columbia	SC	29169	(803) 739-4442
South Dakota	Lezlie Snoozy-Kaitfors	1301 West Omaha St, Suite 219	Rapid City	SD	57701	(605) 716-1234
South Dakota	Stephen Schoepp	4300 S Louise Ave, Ste 302	Sioux Falls	SD	57106	(605) 977-5513
Tennessee	Steven Nichols - 4	212 Overlook Cir, Ste 108	Brentwood	TN	37027	(615) 942-8907
Tennessee	Carolyn Steiner	281 Stonecrossing Dr.	Clarksville	TN	37042	(931) 905-1771
Tennessee	Cary Rotter	1921 Hwy 51 S, Suite A	Covington	TN	38019	(901) 296-1200
Tennessee	Garrett Sullivan	80 Miller Ave, Ste 103	Crossville	TN	38555	(931) 456-9000
Tennessee	Leslee Bibb	367-B North Parkway, Suite 6	Jackson	TN	38305	(731) 664-7664
Tennessee	Linda Bambino	1134A Moreland Dr	Kingsport	TN	37664	(423) 246-0100
Tennessee	Cary Rotter - 4	5668 S Rex Rd, Ste 200	Memphis	TN	38119	(901) 752-1515
Texas	Travis Smith	5424 W Highway 290, Ste. 105	Austin	TX	78735	(512) 766-0100
Texas	Travis Smith	4408 Spicewood Springs Rd, Suite 429	Austin	TX	78759	(512) 980-0900
Texas	Mark Miller	3740 N. Josey Lane, Suite 237	Carrollton	TX	75007	(972) 573-4100
Texas	Aron Collins	244 Southwest Pkwy E	College Station	TX	77840	(979) 764-3076
Texas	Lori Nesler - 4	13140 Coit Road, Suite 202	Dallas	TX	75240	(972) 303-4599
Texas	Deborah Desantos - 2	5927 Gateway Blvd W, Ste A	El Paso	TX	79925	(915) 842-8195

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Texas	Ashvin Amin - 3	1105 Arwine Ct.	Euless	TX	76040	(817) 282-0828
Texas	Scott Van Duinen - 4	8205 Camp Bowie W Blvd, Ste 216	Fort Worth	TX	76116	(817) 560-8085
Texas	Aron Collins	1403 Williams Dr., Suite 101	Georgetown	TX	78628	(512) 255-6633
Texas	Selby Clark - 2	6117 Richmond Ave, Ste 150	Houston	TX	77057	(713) 974-6920
Texas	Aron Collins	22503 Katy Freeway, Ste 27	Katy	TX	77450	(281) 978-2600
Texas	L.S. Clinnard	1111 Judson Rd, Ste 200	Longview	TX	75601	(903) 291-0111
Texas	John Carson	2517 74th Street	Lubbock	TX	79423	(806) 687-7800
Texas	Gary Jeans	2364 Highway 287 N. Ste 117	Mansfield	TX	76063	(817) 453-3727
Texas	Ramon Doria	4305 N. Garfield St, Ste 229	Midland	TX	79705	(432) 520-0414
Texas	Megan Jones - 1	1619 E Common St, Suite 203	New Braunfels	TX	78130	(512) 598-9099
Texas	John Carson	3121 Executive Dr	San Angelo	TX	76904	(325) 949-0700
Texas	L.S. Clinnard	215 Winchester Dr, Suite 115	Tyler	TX	75701	(903) 509-4424
Texas	Lawrence Morgan	1007 E. Airline, Ste A	Victoria	TX	77901	(361) 578-7778
Texas	Aron Collins	6801 Sanger Ave., Suite 275B	Waco	TX	76710	(254) 523-4234
Virginia	Nick Bryan - 3	709 Pendleton Street, Ste 102	Alexandria	VA	22314	(703) 591-7117
Virginia	Nick Bryan	10721 Main Street, Suite 304	Fairfax	VA	22030	(703) 591-7117
Virginia	Raymond Lowe	220 Middle St	Franklin	VA	23851	(757) 569-7777
Virginia	Mark Sheets - 2	10833 Ridgefield Pkwy	Henrico	VA	23238	(804) 750-1123
Virginia	Nick Bryan - 2	459 Herndon Pkwy, Ste 5	Herndon	VA	20170	(703) 435-2500
Virginia	Anthony Fiore	9720 Capital Court Manassas, Ste. 100, Rm 2	Manassas	VA	20110	(703) 686-4803
Virginia	Nick Bryan - 2	45640 Willow Pond Plaza, Suite 100	Sterling	VA	20164	(703) 639-4492
Virginia	Nick Bryan	1213 Laskin Road, Suite 207	Virginia Beach	VA	23451	(757) 689-8189
Virginia	Edward Golden	205 Bulifants Blvd, Ste B-Main Office	Williamsburg	VA	23188	(757) 229-2777
Washington	James Woolford	3256 Chico Way	Bremerton	WA	98312	(360) 373-5678
Washington	Kimberly Sanchez	500 S 336th St., Ste 204	Federal Way	WA	98003	(253) 945-1400
Washington	Kenny Lyman - 3	2958 Limited Ln NW, Ste B	Olympia	WA	98502	(360) 742-3773
Washington	Wyatt Howell	1104 W. Wellesley Ave., Ste D	Spokane	WA	99205	(509) 484-2345
Washington	Kelly Leveque - 2	2115 E 27th Street	Vancouver	WA	98661	(360) 687-0025
Wisconsin	James Rudolph - 2	5950 Seminole Centre Ct, Ste 200	Fitchburg	WI	53711	(608) 442-1898
Wisconsin	Gina Meller - 2	8505 W Forest Home Ave	Greenfield	WI	53228	(414) 858-9400
Wisconsin	Sharlyn Meller - 2	4811 S. 76th Street, Suite 300	Greenfield	WI	53220	(414) 858-9400
Wisconsin	Peter Heimdahl	2424 Monetary Blvd, Ste 012	Hudson	WI	54016	(715) 381-6730

Notes:

(1) Some franchisees operate more than one Franchised Business from a single Facility; in that case, the number of Franchised Businesses the franchisee operates from that Facility and in that state is listed after his or her name.

Franchisees Who Signed Franchise Agreement but Franchised Business Not Yet Opened						
STATE	**OWNER**	**ADDRESS**	**CITY**	**STATE**	**ZIP**	**PHONE NUMBER**
Florida	Angela Zeck	4801 S University Dr, Ste 3070	Davie	FL	33328	(654) 947-7927
Pennsylvania	Marlin Duncan	1 Kim Avenue, Suite 7	Tunkhannock	PA	18657	(570) 996-6595
Virginia	Anthony Fiore **(1)**	9720 Capital Court Manassas, Ste 100, Rm 2	Manassas	VA	20110	(703) 686-4803

Notes:

(1) Franchisee has signed a franchise agreement to operate additional Franchised Business from his current Facility.

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

EXHIBIT I-2

ROSTER OF FORMER FRANCHISEES

The following is a list of the name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of each franchisee that had a franchised business terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement, including in connection with a transfer, during fiscal year 2022; or failed to communicate with CK Franchising, Inc. within 10 weeks of the application date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

FRANCHISEES WHO LEFT SYSTEM FOR REASONS OTHER THAN A TRANSFER				
State	**Owner (1)**	**City**	**State**	**Phone Number**
Arkansas	David Parks	Russellville	AR	(479) 498-6560
California	Brenda Wright	Fremont	CA	(510) 789-1900
Connecticut	Paul McLaughlin - 2	Danbury	CT	(203) 796-0651
Kansas	Douglas Stark - 2	Wichita	KS	(316) 773-7775
Missouri	Frederick Henry - 2	Creve Coeur	MO	(314) 576-7000
New York	Judy Geier - 2	Oceanside	NY	(516) 442-2300
Texas	Mike Painter - 3	Houston	TX	(281) 218-7400
Texas	Maria Villegas	Houston	TX	(346) 246-4900

Notes:

(1) Some former franchisees that were terminated, not renewed or ceased operations for other reasons operated more than one Franchised Business; in that case, the number of Franchised Businesses the franchisee operated and in that state is listed after his or her name.

FRANCHISEES TRANSFERRED				
State	**Owner (1)**	**City**	**State**	**Phone Number**
California	John Hatch	Fresno	CA	(559) 323-7494
California	Kevin Carter	Modesto	CA	(209) 383-2272
California	Ben Everhart - 2	San Diego	CA	(619) 733-5624
California	Matthew Fink - 5	San Diego	CA	(619) 757-7513
Florida	Michael Kruckeberg - 3	Tallahassee	FL	(248) 321-2430
Georgia	Alan White - 4	Gainesville	GA	(770) 232-6187
Indiana	Jerome Case	Terra Haute	IN	(765) 569-7107
Maine	Peter Violette - 2	Scarborough	ME	(207) 699-9930
Maryland	Solange Sol - 6	Annapolis	MD	(301) 658-6665

FRANCHISEES TRANSFERRED				
State	**Owner (1)**	**City**	**State**	**Phone Number**
Michigan	Jeanne Trumpy - 2	Plymouth	MI	(734) 245-3733
Missouri	Paul James	Cape Girardeau	MO	(573) 450-9030
Oregon	Leslie Snoozy-Kaitfors - 3	Portland	OR	(605) 641-0433
Pennsylvania	J. Clark Bongaardt - 7	Springfield	PA	(610) 543-5846
Tennessee	Ashley Turner	Crossville	TN	(931) 200-8979
Texas	Theresa Todd - 2	El Paso	TX	(915) 253-7639
Texas	Ashvin Amin	Fort Worth	TX	(817) 282-0828
Washington	Cindy Adkins - 3	Olympia	WA	(360) 901-1348

Notes:

1. Some former franchisees transferred more than one Franchised Business; in that case, the number of Franchised Businesses the franchisee transferred in that state is listed after his or her name.

EXHIBIT J

CURRENT FORM OF GENERAL RELEASE

GENERAL RELEASE

_____, a _____, whose address for the purpose of this Release is _____ ("Franchisee"), _____, a(n) _____, whose address for the purpose of this Release is _____, and _____, a(n) _____, whose address for the purpose of this Release is _____ (collectively, "Franchisee's Principals") hereby release and forever discharge CK FRANCHISING, INC., an Ohio corporation having its principal place of business at 1 Park Plaza, Suite 300, Irvine, California 92614 ("Company"), its affiliates, parents, ultimate parents, and their respective heirs, successors, members, shareholders, representatives, assigns, agents, employees, officers and directors, past and present, in their personal and corporate capacities ("Affiliates"), of and from any claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action of every nature, character and description, known or unknown, vested or contingent, that Franchisee and/or any of Franchisee's Principals now owns or holds, or has at any time heretofore owned or held, or may at any time own or hold against Company and/or its Affiliates, arising prior to and including the date of this Release, including, without limitation, any such claims that Franchisee and/or any of Franchisee's Principals may have against Company and/or its Affiliates (i) arising under any agreement between Franchisee and/or its Principals and Company and/or its Affiliates, including that certain Franchise Agreement dated _____ between Franchisee and Company ("Franchise Agreement"), and any settlement agreement related to its termination, if applicable, (ii) arising from the parties' conduct during the term of the Franchise Agreement, (iii) arising during Franchisee's operation of the franchised **Comfort Keepers®** business known as Comfort Keepers # _____, (iv) arising under federal, state and local laws, rules or ordinances, including, but not limited to, federal and state franchise and deceptive trade practice laws, or (v) related to any obligation to refund or otherwise return any part of the franchise fee that Franchisee paid to Company upon the execution of the Franchise Agreement. The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

This Release is made in the State of Ohio and its provisions shall be governed by and enforced and interpreted under the laws of that State, except that conflicts of law rules shall be excluded, and any disputes arising out of or in connection with this Release shall be resolved in accordance with the dispute resolution provisions set forth in Section 12 of the Franchise Agreement.

The parties have executed and delivered this General Release on this ____ day of _____.

FRANCHISEE	FRANCHISEE'S PRINCIPALS
_____	_____
[Name of Entity if Franchise is a business Entity]	Print Name:_____
By:_____	_____
Title:_____	Print Name:_____

EXHIBIT K

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	January 1, 2023 (Exempt)
Hawaii	April 18, 2023, as amended [_____]
Illinois	March 23, 2023
Indiana	March 23, 2023
Maryland	April 17, 2023 (Exempt)
Michigan	March 1, 2023
Minnesota	May 11, 2023 as amended [_____]
New York	March 23, 2023
North Dakota	April 12, 2023 (Exempt)
Rhode Island	Mach 15, 2023 (Exempt), as amended [_____]
South Dakota	April 10, 2023
Virginia	April 21, 2023 (Exempt), as amended [_____]
Washington	May 15, 2023 (Exempt)
Wisconsin	April 10, 2023, as amended [_____]

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 L-1
RECEIPT

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If CK Franchising, Inc. offers you a franchise, it must give this disclosure document to you 14 calendar days before you sign a binding agreement, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration, whichever occurs first. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If CK Franchising, Inc. does not deliver this disclosure document to you on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the administrator for this state listed in Exhibit B-1.

The name, principal business address, and telephone number of each franchise seller offering the franchise: Ramzi Abdine, Jerry Wright, Chris Tepe, Mario Cisneros and Tina Sterling, all at CK Franchising, Inc., 1 Park Plaza, Suite 300, Irvine, CA 92614, (949) 988-6655.

This disclosure document is to be used in the District of Columbia and all states.

Date of Issuance: March 23, 2023, as amended November 3, 2023

See Exhibit B-2 for the registered agents authorized to receive service of process for CK Franchising, Inc.

I have received a disclosure document dated March 23, 2023, as amended November 3, 2023 that included the following Exhibits:

A: State-Specific Disclosures
B-1: State Administrators
B-2: Agents for Service of Process
C: Financial Statements
D-1: Franchise Deposit Agreement
D-2: Franchise Agreement with Attachments
D-3: Confidentiality Agreement and Ancillary Covenants Not to Compete
D-4: Additional Services Addendum
D-5: Private Duty Nursing Services Addendum
D-6: HIPAA Business Associate Agreement
D-7: Franchise Acquisition Incentive Amendment
D-8: Franchise Acquisition Incentive Amendment for Independent Business
D-9: Franchise Agreement Amendment Required for Licensure in the State of New York
D-10: Franchisee Acknowledgment
E: State-Specific Addenda to Franchise Agreement
F: Promissory Note
G: Supplemental Discussion of Special Industry Laws
H: Manual Table of Contents
I-1: Roster of Franchisees
I-2: Roster of Former Franchisees
J: Current Form of General Release
K: State Effective Dates
L-1: Receipt (Your Copy)
L-2: Receipt (Our Copy)

Date Received:_____

_____
Signature of Prospective Franchisee

Printed Name:_____

Date Received:_____

_____
Signature of Prospective Franchisee

Printed Name:_____

(Your Copy)

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If CK Franchising, Inc. does not deliver this disclosure document to you on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the administrator for this state listed in Exhibit B-1.

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J: Current Form of General Release
K: State Effective Dates
L-1: Receipt (Your Copy)
L-2: Receipt (Our Copy)

Date Received:_____

_____
Signature of Prospective Franchisee

Printed Name_____

Date Received:_____

_____
Signature of Prospective Franchisee

Printed Name_____

(**Our Copy**)