FRANCHISE DISCLOSURE DOCUMENT

Executive Home Care Franchising, LLC
A New Jersey limited liability company
8100 E. Indian School Rd., Suite 201
Scottsdale, Arizona 85251
Phone: (855) 393-2372
Email: franchising@executivehomecare.com
Website: www.executivehomecare.com

Executive Home Care Franchising, LLC offers franchises for the operation of a business providing in-home comprehensive care to home care clients and supplemental healthcare staff to institutional clients.

The total investment necessary to begin operation of an EXECUTIVE HOME CARE® franchised business is $103,950 to $165,133. This includes $49,900 to $66,533 that must be paid to the franchisor or 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 sale. **Note, however, that no government agency has verified the information contained in this document**.

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchisor at 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251 or by phone at (855) 393-2372.

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 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 (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 20, 2026

How to Use this Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or EXHIBIT "F".
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 "G" 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 EXECUTIVE HOME CARE® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an EXECUTIVE HOME CARE® franchisee?	Item 20 or EXHIBIT "F" 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*

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

<u>Business model can change</u>. 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.

<u>Supplier restrictions</u>. 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.

<u>Operating restrictions</u>. 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.

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

<u>Renewal</u>. 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.

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Arizona. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Arizona than in your own state.

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

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

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.

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

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

(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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The franchised business offered under this Disclosure Document is for a business providing in-home comprehensive care to home care clients and supplemental healthcare staff to institutional clients under the name EXECUTIVE HOME CARE® (an "EHC Business"). To simplify the language in this Disclosure Document, "you" means the person who buys the franchise for an EHC Business – the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company. "We," "us" and "the Company" mean Executive Home Care Franchising, LLC – the franchisor.

Corporate Information

We are a New Jersey limited liability company formed on June 5, 2012. Our principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251. Our phone number is (855) 393-2372. We do not conduct business under any name other than our corporate name. Our agents for service of process are disclosed in EXHIBIT "A" (for franchise registration states) and EXHIBIT "B" (for other states).

Business History

We began offering franchises for EHC Businesses in June 2012. We engage in no business activities other than offering franchises for EHC Businesses and administering the franchise system. We have never offered franchises in any other line of business. We have never directly owned and operated a business similar to an EHC Business. Our former affiliate owned and operated a business similar to an EHC Business from May 2004 to November 2021.

Predecessors, Parents and Affiliates

We do not have any predecessors. Our direct and indirect parent companies include:

PARENT COMPANIES		
Company Name	**Principal Business Address**	**Direct or Indirect Parent**
Evive Brands, LLC ("Evive")	Same as ours	Direct
EHC Holding Company, LLC ("EHCH")	630 Fifth Avenue, Suite 400 New York, New York 10111	Indirect
Riverside Micro-Cap Fund VI-A, L.P.*	45 Rockefeller Center 630 Fifth Avenue, Suite 400 New York, New York 10111	Indirect

* Riverside Micro-Cap Fund VI-A, L.P. is part of The Riverside Company, which is a global private equity firm that: (a) focuses on investing in and acquiring growing businesses; and (b) manages the investment funds that are the owner of EHCH. Riverside Micro-Cap Fund VI-A, L.P. indirectly acquired our franchise system in November 2021.

We do not have any affiliates that provide goods or services to franchisees. As further described in the table below, we have 6 affiliates that offer franchises in other lines of business. None of these affiliates have operated an EHC Business.

AFFILIATE FRANCHISING COMPANIES				
Franchised Business	**Name of Affiliate Franchisor**	**Principal Place of Business**	**Period of Time Franchises Offered by Affiliate**	**Number of Open Franchisees in US (as of 12/31/2025)**
1. Grasons	B & P Burke, LLC	Same as ours	November 2014 to present	69
2. Assisted Living Locators	ALL Franchising, LLC	Same as ours	August 2022 to present	171
3. Brothers Gutters	Brothers Parsons Franchising LLC	Same as ours	November 2023 to present	401
4. Maid Brigade	MB Franchise Holdings, Inc.	Same as ours	May 2020 to present	286
5. Shine	Shine Development LLC	Same as ours	November 2025 to present	77

Affiliate Franchising Companies				
Franchised Business	**Name of Affiliate Franchisor**	**Principal Place of Business**	**Period of Time Franchises Offered by Affiliate**	**Number of Open Franchisees in US (as of 12/31/2025)**
6. Pacific Lawn Sprinklers	Pacific Lawn Sprinklers Franchise LLC	Same as ours	November 2023 to present	71

1. Grasons is a business that specializes in estates sale and business liquidation services under the trade name GRASONS.
2. Assisted Living Locators is a home-based business that assists seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities under the service mark ASSISTED LIVING LOCATORS.
3. Brothers Gutters is a business that provides gutter installation, maintenance, cleaning, repair, and related services and products under the service mark THE BROTHERS THAT JUST DO GUTTERS.
4. Maid Brigade is a business that provides supervised team cleaning services to home and light commercial cleanings and offers proprietary and other household products for sale using the service mark MAID BRIGADE.
5. Shine is a business that provides residential and commercial window cleaning, pressure washing, screen cleaning, gutter cleaning, house and building detailing and holiday light installation, storage and removal services under the service marks SHINE, SHINE WINDOW CARE AND HOLIDAY LIGHTING, SHINE WINDOW CARE and SHINE HOLIDAY LIGHTING.
6. Pacific Lawn Sprinklers is a business that provides sprinkler installation and maintenance services under the service mark PACIFIC LAWN SPRINKLERS.

We do not have any other affiliates that offer franchises in this or any other line of business.

Other Riverside Company Portfolio Franchise Companies

Through various private equity funds managed by The Riverside Company, the following portfolio companies of The Riverside Company offer franchises in the US. While there is no common control between Evive Brands and the franchise platforms listed below and therefore are not considered affiliates required to be disclosed in Item 1, we disclose these franchise companies as The Riverside Company also manage various investment funds that own, in whole or in part, directly or indirectly, these other franchise companies.

For purposes of the tables below, "Time Franchises Offered" includes the period of time franchises have been offered by the current franchisor and its predecessors.

EverSmith Brands

Other Portfolio Companies of The Riverside Company (EverSmith Brands)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
1. 1-Tom-Plumber	1 TOM Plumber Global LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2020 to present	56
2. US Lawns	U.S. Lawns, Inc.	6700 Forum Drive, Suite 150 Orlando, Florida 32821	1986 to present	208
3. milliCare Floor & Textile Care	milliCare Franchising, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2011 to present	48 (9 international)
4. Kitchen Guard	Kitchen Guard Franchising, Inc.	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2023 to present	38

Other Portfolio Companies of The Riverside Company (Eversmith Brands)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
5. Prism Specialties	Restoration Specialties Franchise Group, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2012 to present	90
6. The Seals	The Seals Franchising, LLC	6700 Forum Drive, Suite 150 Orlando, Florida 32821	2019 to present	6
7. Clintar Commercial Outdoor Services	TruServe Groundscare, Inc.	200 Cachet Wood Court, Unit 119 Markham, ON, Canada L6C 0Z8	1982 to present	0 (21 international)

1. 1-Tom-Plumber is a business that offers emergency plumbing services and repairs at commercial and residential properties under the service mark 1-TOM-PLUMBER.
2. US Lawns is a business that offers outdoor commercial property and landscaping services mark US LAWNS.
3. milliCare is a business that offers cleaning and maintenance of floor coverings and interior finishes and related services under the service mark MILLICARE FLOOR & TEXTILE CARE.
4. Kitchen Guard is a business that offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration services under the service mark KITCHEN GUARD.
5. Prism Specialties is a business that offers electronic, art, textile and document recovery, repair and restoration services under the service mark PRISM SPECIALTIES.
6. The Seals is a business that sells and installs gaskets for refrigeration door units, freezer doors, oven doors, hardware and cutting board under the service mark THE SEALS.
7. Clintar Commercial Outdoor services is business that offers outdoor commercial property services under the service mark CLINTAR COMMERCIAL OUTDOOR SERVICES.

Head-To-Toe Brands

Other Portfolio Companies of The Riverside Company (Head-To-Toe Brands)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
1. Bishops	BCC Franchising, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2007 to present	40
2. Delta Crown	Crown Extension Bar, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2025 to present	1
3. Frenchies Modern Nail Care	Frenchies, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2015 to present	26
4. Lash Lounge	The Lash Franchise Holdings, LLC	550 Reserve Street, Suite 380 Southlake, Texas 76092	2010 to present	131

1. Bishops is a business that offers haircuts, coloring, and barber services under the service mark BISHOPS.
2. Delta Crown is a business offering semi-permanent hair extensions and hair extension-related salon services under the service mark DELTA CROWN.
3. Frenchies is a business that offers hand and foot care under the service mark FRENCHIES MODERN NAIL CARE.
4. Lash Lounge is a business that offers permanent and temporary eyelash and eyebrow extensions and other eye enhancing services under the service mark LASH LOUNGE.

Best Life Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (BEST LIFE BRANDS)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
1. Blue Moon Estate Sales	Blue Moon Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2013 to present	136
2. Boost Home Healthcare	Boost Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2021 to present	3
3. CarePatrol	CarePatrol Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2009 to present	215 (2 international)
4. ComForCare Home Care	ComForCare Franchise Systems, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2021 to present	270 (19 international)
5. Next Day Access	Next Day Access, LLC	900 Wilshire Drive, Suite 102 Troy, Michigan 48084	2012 to present	91 (1 international)

1. Blue Moon is a business that sells personal property as well as the provision of consignment sales for those who are downsizing, relocating, or are deceased under the service mark BLUE MOON ESTATE SALES.
2. Boost is a business that offers intermittent care ordered by a doctor and performed by a home health aide and other licensed healthcare providers to patients of all ages with acute and chronic long-term complex health conditions within the patient's residence or within health care facilities under the mark BOOST HOME HEALTHCARE.
3. CarePatrol is a business that offers senior living placement, referral, and consulting services to families under the mark CAREPATROL.
4. ComForCare is a business that offers (a) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and people of all ages so that they may remain in their residences, (b) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside, and (c) private duty nursing services, all under the mark COMFORCARE HOME CARE.
5. Next Day is a business that offers ramps and other products and accessories that enhance the life of physically disabled or challenged persons under the mark NEXT DAY ACCESS.

Threshold Brands

OTHER PORTFOLIO COMPANIES OF THE RIVERSIDE COMPANY (THRESHOLD BRANDS)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
1. Maid Pro	Maid Pro Franchise, LLC	77 North Washington Street Boston, Massachusetts 02114	1997 to present	255
2. Men in Kilts	Men in Kilts US, LLC	77 North Washington Street Boston, Massachusetts 02114	2019 to present	27
3. Pestmaster	Pestmaster Franchise Network, LLC	9716 South Virginia St., Suite E Reno, Nevada 89511	2021 to present	75
4. USA insulation	USA Insulation Franchise, LLC	17700 Saint Clair Avenue Cleveland, Ohio 44110	2006 to present	96
5. Granite Garage Floors	Granite Garage Floors Franchising, LLC	110 Mansell Circle, Suite 375 Roswell, Georgia 30075	2013 to present	57

Other Portfolio Companies of The Riverside Company (Threshold Brands)				
Franchised Business	**Name of Franchisor**	**Principal Place of Business**	**Time Franchises Offered**	**Number of Open Franchisees in US (as of 12/31/2025)**
6. Mold Medics	Mold Medics Franchising, LLC	811 Washington Avenue Carnegie, Pennsylvania 15106	2020 to present	18
7. Sir Grout	Sir Grout Franchising, LLC	77 North Washington Street Boston, Massachusetts 02114	2007 to present	91
8. Miracle Method	Miracle Method, LLC	4310 Arrowswest Drive Colorado Springs, Colorado 80907	1996 to present	213 (2 master franchises)
9. Plumbing Paramedics	PHP Franchise, LLC	750 E. 150th Street Noblesville, Indiana 46060	2021 to present	15
10. Heating + Air Paramedics	PHP Franchise, LLC	750 E. 150th Street Noblesville, Indiana 46060	2021 to present	22

1. Maid Pro is a business that offers home cleaning services for residential and commercial customers under the mark MAID PRO.
2. Men in Kilts is a business that offers window cleaning, gutter cleaning, pressure washing, siding cleaning, snow removal and other related services under the mark MEN IN KILTS.
3. Pestmaster is a business that offers structural and agricultural pest control and related services under the mark PESTMASTER.
4. USA Insulation is a business that offers residential insulation services under the mark USA INSULATION.
5. Granite Garage Floors is a business that sells and installs residential garage floor coating systems under the mark GRANITE GARAGE FLOORS.
6. Mold Medics is a business that offers mold remediation, air duct cleaning, radon testing and mitigation services, and other services and products under the mark MOLD MEDICS.
7. Sir Grout is a business that offers grout and tile cleaning, sealing, caulking and restoration services and other services under the mark SIR GROUT.
8. Miracle Method is a business that offers refinishing and restoration of bathtubs, sinks, showers, tiles, countertops and similar surfaces under the mark MIRACLE METHOD.
9. Plumbing Paramedics is a business that offers plumbing service franchises under the mark PLUMBING PARAMEDICS.
10. Heating + Air Paramedics is a business that offers heating and air conditioning installation and service franchises under the mark HEATING + AIR PARAMEDICS.

Description of Franchised Business

If you sign a Franchise Agreement with us, you will develop and operate an EHC Business (your "Business" or your "EHC Business") within a prescribed territory (your "Territory"). Your Business will provide the following services ("EHC Services"): (a) in-home comprehensive care and non-medical services to home care clients; and (b) supplemental healthcare staffing services to institutional clients. You must operate your Business from an office we approve within your Territory (your "EHC Office"). You may not operate from a home office. Due to the nature of the business, you must have sufficient qualified staff available for your clients 24 hours a day, 7 days a week. You must ensure that you have backup staff members who are able to fill in for absentee staff.

You will market your in-home care services to individuals of varying needs. You will design a customized care plan for each home care client after your staff (or a Registered Nurse or such other professional as required by applicable law) has evaluated his or her needs. You will match the client, or a family member of the client, with a qualified pre-screened caregiver who is compatible with the client's needs. Subject to any restrictions imposed by law, your EHC Business will also offer companionship services and assistance with various matters such as: medication reminders; personal care and bathing needs; meal preparation; and transportation to and from doctor's appointments. Applicable law may prohibit you from providing certain services unless you hold a required license.

If we award you a franchise, you must sign the franchise agreement attached to this Disclosure Document as EXHIBIT "C" (the "Franchise Agreement"). The Franchise Agreement grants you a license to use certain service marks, trademarks, trade names and logos including EXECUTIVE CARE®, EXECUTIVE HOME CARE® and the associated logos (collectively, the "Marks"). The Franchise Agreement also grants you a license to use our prescribed business format and operating system (the "System"). Our confidential Operations Manual (the "Manual") describes the operational aspects of an EHC Business. You will operate your Business using the Marks, the System, the information in the Manual and the support, guidance, methods and materials we provide.

Market and Competition

You will face competition from numerous local, regional and national service providers, including independent and franchised businesses as well as national chains. You may face competition from us, our affiliates and other franchisees. Competition in the area of home health-care services and healthcare staffing services is well developed and competitive and may impact your Business. The market for the services offered by an EHC Business is well developed and highly competitive.

Industry-Specific Regulations

You must comply with all federal, state, and local laws, rules and regulations pertaining to an EHC Business, including regulations pertaining to the health care industry, professional and facility licensing, privacy law, insurance requirements, bonding requirements, regulations relating to health, safety and sanitation, as well as state and municipal license and certification requirements. You are prohibited from participating in Medicare and Medicaid governmental payor programs.

EHC Businesses do not typically receive or have access to Protected Health Information (PHI), as defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). However, due to the nature of the business it is possible that an EHC Business may have access to PHI. Should this occur, the EHC business must comply with HIPAA. Additionally, there may be other federal, state and local laws and regulations relating to the access, confidentiality, use and disclosure of medical records, the privacy of insurance information and other privacy protection acts that may apply to an EHC Business.

Before you begin operating your Business, you must obtain all required federal and state licenses for your Business. Some states require that you obtain accreditation. Accreditation may be optional (but recommended) in other states. You must maintain all required licenses and any other certifications or accreditations that we may require in good standing throughout the term of your franchise agreement.

You must procure and maintain all home health care licenses, permits, certifications, accreditations and other authorizations or approvals that apply to an EHC Business. Some states imposed a moratorium on the issuance of home health agency licenses, nurse staffing licenses and other in-home healthcare licenses or permits. Depending on the state where your Business operates, you may need to comply with additional state licensing requirements (e.g., an employment agency license) and procure a Certificate of Need in order to offer certain supplemental healthcare staffing services. You should also be aware of pending legislation that may affect your Business. You must also procure and maintain any other permit, license or accreditation we require.

Although we may provide you with access to resources on regulatory matters, you retain sole responsibility for: (a) investigating, understanding and complying with all laws in your state that apply to an EHC Business; and (b) investigating the availability and requirements for licensure, certifications and accreditations in your state.

You must also comply with local, state and federal laws that apply to businesses generally, including workers' compensation, corporate, tax, environmental, sanitation, insurance, EEOC, OSHA, anti-discrimination and labor and employment laws (including laws governing discrimination and sexual harassment in the work place).

ITEM 2 BUSINESS EXPERIENCE

Chief Executive Officer: Ryan Parsons

Mr. Parsons has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Executive Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
B & P Burke, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
Shine Development LLC	Scottsdale, AZ	Chief Executive Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Executive Officer	Oct 2025-present
Brothers Parsons Franchising LLC ("BPF")	Scottsdale, AZ	Chief Executive Officer	Nov 2023-present
The Brothers Franchising Corp. (BPF's predecessor)	Poughkeepsie, NY	Co-Founder & Vice President	Jul 2014-Nov 2023
Brothers Parsons HV LLC (operator of original company-owned The Brothers That Just Do Gutters business)	Poughkeepsie, NY	Vice President	2002-present

Brand Leader: Jeanette Weinz

Ms. Weinz has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	Brand Leader	Feb 2025-present
Nurse Next Door	Vancouver, BC	National Director of Operations (United States)	Feb 2024-Feb 2025
ATC Healthcare	Lake Success, NY	VP of Franchise Operations	Jan 2022-Dec 2024
Home Helpers Home Care	Cincinnati, OH	National Franchise Developer	Feb 2019-Dec 2021

Secretary and Manager: Caroline Quoyeser

Ms. Quoyeser has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	President, Secretary & Manager	Nov 2021-present
Evive Brands, LLC	Scottsdale, AZ	President, Secretary & Manager	Feb 2023-present
B & P Burke, LLC	Scottsdale, AZ	President, Secretary & Manager	Nov 2021-present
ALL Franchising, LLC	Scottsdale, AZ	President, Secretary & Manager	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	President, Secretary & Manager	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	President, Secretary & Manager	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	President, Secretary & Manager	Nov 2023-present
The Riverside Company	Santa Monica, CA	Assistant Vice President	Jan 2023-present
		Senior Associate	Jun 2021-Jan 2023
		Private Equity Analyst	Jun 2017-Jun 2019
		Summer Analyst	Jun 2016-Aug 2016

Chief Growth Officer: Jason Wiedder

Mr. Wiedder has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Growth Officer	Dec 2021-present
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Growth Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Growth Officer	Feb 2023-present
B & P Burke, LLC	Scottsdale, AZ	Chief Growth Officer	Dec 2021-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Growth Officer	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	Chief Growth Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Growth Officer	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chief Growth Officer	Nov 2023-present
Always Best Care	Roseville, CA	VP of Franchise Development	Mar 2018-Dec 2021

Vice President and Manager: L. Joseph Lee

Mr. Lee has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	VP & Manager	Nov 2021-present
MB Franchise Holdings, Inc.	Scottsdale, AZ	VP & Manager	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	VP & Manager	Feb 2023-present
B & P Burke, LLC	Scottsdale, AZ	VP & Manager	Nov 2021-present
ALL Franchising, LLC	Scottsdale, AZ	VP & Manager	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	VP & Manager	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	VP & Manager	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	VP & Manager	Nov 2023-present
The Riverside Company	Cleveland, OH	Senior Partner	Apr 2013-present
		Principal	Mar 2006-Apr 2013

Chief Financial Officer: Gregory Esgar

Mr. Esgar has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chief Financial Officer	May 2022-present
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chief Financial Officer	May 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chief Financial Officer	Aug 2023-present
B & P Burke, LLC	Scottsdale, AZ	Chief Financial Officer	May 2022-present
ALL Franchising, LLC	Scottsdale, AZ	Chief Financial Officer	Aug 2022-present
Shine Development LLC	Scottsdale, AZ	Chief Financial Officer	Nov 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chief Financial Officer	Oct 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chief Financial Officer	Nov 2023-present
Prose Franchising	Phoenix, AZ	Chief Financial Officer	Apr 2018-May 2022

Chairman of the Board: Jordan Lajoie

Mr. Lajoie has held the following positions during the prior 5-year period:

Company	Location	Title	Period of Time
Executive Home Care Franchising, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
MB Franchise Holdings, Inc.	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Evive Brands, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
B & P Burke, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
ALL Franchising, LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Shine Development LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Pacific Lawn Sprinklers Franchise LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
Brothers Parsons Franchising LLC	Scottsdale, AZ	Chairman of the Board	Jul 2025-present
The Riverside Company	Portland, ME	Operating Partner	Jul 2020-present
Pinecrest holdings Inc.	Portland, ME	President	Jul 2022-present

ITEM 3 LITIGATION

Matters Involving Us And/or Our Officers

Executive Home Care Franchising, LLC v. Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall, US District Court for District of New Jersey; Case No. 15-ch-00760; *Executive Home Care Franchising, LLC v. Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall*, AAA Case No.: 01-15-0003-2409

On February 3, 2015, we filed a lawsuit against a former franchisee and its principals and affiliated companies, including Marshall Health Corp., Well-Being Home Corp., Clint Marshall, Massare Marshall and Greer Marshall (collectively, "Marshall Defendants") in US District Court for the District of New Jersey (the "District Court Action"). Our complaint alleged: violations of the in-term and post termination restrictive covenant contained in their Executive Home Care Franchise Agreement; trademark and trade dress infringement; unfair competition through the operation of an independent in-home care business using the proprietary and confidential business information and client lists belonging to us; and breach of multiple payment and other obligations contained in the Franchise Agreement. On March 13, 2015, Marshall Defendants asserted counterclaims against us for: breach of contract; breach of duty of good faith and fair dealing; fraudulent inducement; tortious or malicious interference with contract; intentional or malicious interference with prospective economic advantage; violation of the New Jersey Franchise Practices Act; and unjust enrichment. On April 17, 2015, we filed a motion to dismiss all counterclaims, or in the alternative, compel arbitration of all claims. The District Court granted our motion to compel arbitration.

On February 3, 2015, we also filed an arbitration action with the American Arbitration Association. The claims and counterclaims asserted by the parties in arbitration were substantially similar to those filed in the District Court Action. On July 25, 2016, the arbitrator denied our claims and awarded Marshall Defendants $215,386 in damages, costs and expenses.

Executive Home Care Franchising, LLC v. Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack, US District Court for District of New Jersey; Case No. 15-ch-01486; *Executive Home Care Franchising, LLC v. Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack*, AAA Case No.: 01-15-0003-4773

On February 27, 2015, we filed a lawsuit against a former franchisee and its principals, including Specialized Home Care Providers, LLC, Michael Creatore and Nicholas Kerpsack (collectively, "Defendants") in US District Court for the District of New Jersey (the "NJ Action"). Our complaint alleged: violations of the in-term and post termination restrictive covenants contained in their Executive Home Care Franchise Agreement; trademark and trade dress infringement; unfair competition through the operation of an independent in-home care business using the proprietary and confidential business information and client lists belonging to us; and breach of multiple payment and other obligations contained in the Franchise Agreement. On April 2, 2015, Defendants asserted counterclaims against us for: breach of contract; breach of duty of good faith and fair dealing; fraudulent inducement; violation of the New Jersey Franchise Practices Act; and unjust enrichment. On April 23, 2015, we filed a motion to compel arbitration, which motion was granted on October 26, 2015.

On or about September/October 2015, we filed an arbitration action with the American Arbitration Association. The claims and counterclaims asserted by the parties in arbitration were substantially similar to those filed in the NJ Action. On November 23, 2016, the parties signed a Settlement Agreement whereby Defendants paid us $55,000 and we released Defendants from the post-term restrictive covenants in their Franchise Agreement.

Matters Involving Affiliates

Commonwealth of Virginia vs. Ken Parsons, Ryan Parsons & The Brothers Franchising Corp, Case No: SEC-2015-00056 (January 6, 2016)

On January 6, 2016, The Brothers Franchising Corp. ("TBFC"), Ken Parsons and Ryan Parsons entered into a Settlement Order with the Commonwealth of Virginia, State Corporation Commission. TBFC is the predecessor of our affiliate Brothers Parsons Franchising LLC ("BPF"). Ryan Parsons is our Chief Executive Officer and co-founder of The Brothers That Just Do Gutters franchise system. The matter involved the sale of a The Brothers That Just Do Gutters franchise in Virginia to Ken and Ryan Parsons's father before the franchise was registered in Virginia. The Settlement Order required TBFC to pay a $2,000 penalty plus $500 for investigation costs and prohibits TBFC and its successors (e.g., BPF) from violating Virginia's Retail Franchising Act in the future.

Except for the matters above, 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

You pay us a nonrefundable $49,900 initial franchise fee when you sign the Franchise Agreement. We currently offer the following discounts:

Type of Discount*	Discount	Qualifications for Discount
Veterans Discount	10% discount	Person holding at least a 50% interest in the franchise is an honorably discharged veteran of any branch of the United States military and provides Form DD-214.
Multi-Unit Discount	Franchise 1 – No discount Franchise 2 – $10,000 discount Franchise 3 and up – $15,000 discount	You must (a) purchase 2 or more franchises from us at the same time, (b) sign Franchise Agreements for all franchises at the same time, (c) pay full $49,900 initial franchise fee for 1st franchise and discounted initial franchise fee for each additional franchise at same time.

* If you qualify for both the Multi-Unit Discount and Veterans Discount, you receive the Multi-Unit Discount plus an additional 10% off the total aggregate discounted initial franchise fees.

The initial franchise fee is uniformly imposed except for the discounts disclosed above.

Initial Training Fee

Our initial training program currently includes both virtual and in-person training. We provide in-person training for up to 3 trainees at no extra charge. If you send more than 3 trainees to in-person training, we may charge you a $500 initial training fee for each trainee you send in excess of 3. The additional training fee, if applicable, is nonrefundable, uniformly imposed and due prior to training.

Territory Fee

We structure territories to include a population of at least 300,000 as of the date the territory is determined. If you request a Territory with a population in excess of 330,000, you pay us a territory fee that is calculated by multiplying $49,900 by a fraction (a) the numerator of which is the difference between the total population in your Territory and 300,000 and (b) the denominator of which is 300,000. For example, if you request a Territory with a population of 380,000, you pay us a territory fee equal to $16,306.67, which is calculated as follows:

$49,900 X (380,000 – 300,000)/300,000 = $16,306.67 territory fee

If the population in your Territory is 330,000 or less, you do not pay us a territory fee. We expect most territories will include populations between 300,000 and 400,000, resulting in territory fees ranging from $0 to $16,633. The territory fee is nonrefundable and uniformly imposed. We do not charge additional territory fees (or refund previously paid fees) if the population in your original Territory increases or decreases during the term of your Franchise Agreement.

ITEM 6 OTHER FEES

<table>
<tr><th>TYPE OF FEE [1]</th><th>AMOUNT [2, 3]</th><th>DUE DATE</th><th>REMARKS</th></tr>
<tr><td>Royalty Fee</td><td>Greater of 6% of Net Billings or the minimum royalty fee</td><td>Day we specify after end of reporting period (currently 5th day after reporting period ends)</td><td>The “minimum royalty fee” is as follows:
<table><tr><th>Months After Opening</th><th>Minimum Royalty</th></tr><tr><td>O through 12</td><td>$500/month</td></tr><tr><td>13 through 24</td><td>$1,000/month</td></tr><tr><td>25 through 36</td><td>$1,500/month</td></tr><tr><td>37+</td><td>$2,000/month</td></tr></table>You must send us Net Billings reports for each reporting period. Our current reporting period is a calendar month. Our current royalty fee due date is the 5th day after the end of each reporting period. We may change the reporting period and royalty fee due date upon 30 days’ prior notice.</td></tr>
<tr><td>Brand Fund Fee</td><td>2% of Net Billings</td><td>Same as royalty fee</td><td>We deposit this fee into a Brand Fund. You have no voting rights regarding administration of the Brand Fund, the creation or placement of advertising, or the amount of the brand fund fee.</td></tr>
<tr><td>Local Marketing Commitment</td><td>Greater of $750 per month or 1% of Net Billings
(commences when you complete initial training)</td><td>Monthly, as incurred</td><td>This is the minimum amount you must spend to advertise your Business in your local market (the “<u>Local Marketing Commitment</u>”). This amount does not include brand fund fees. You must pay us any required amount you fail to spend.</td></tr>
<tr><td>Cooperative Advertising Fee</td><td>Fee set by us or the coop
(not to exceed Local Marketing Commitment unless higher fee approved by 2/3 majority vote)</td><td>Same as royalty fee</td><td>Company-owned outlets have the same voting power as franchised outlets in a cooperative. If a majority of outlets are company-owned, we will not increase the fee without the majority vote of franchised outlets in favor of the fee increase. Cooperative advertising fees are credited against your Local Marketing Commitment.</td></tr>
<tr><td>Technology Fee</td><td>Up to $750 per month
Currently $200 per month (for a webpage, 3 email addresses, designated phone number & LMS) plus $30 per month for each additional email needed</td><td>Same as royalty fee or as otherwise specified</td><td>Includes amounts you pay us or our affiliate for Technology Systems, including: (a) amounts you pay for proprietary items (b) amounts we collect from you and remit to third parties and (c) an administrative fee for managing the technology platform and negotiating/managing relationships with various licensors of the technology. It does not include amounts you pay to third parties. We do not currently include monthly phone charges as part of the technology fee, but we may do so in the future.</td></tr>
<tr><td>Call Center Fee</td><td>Greater of $150 per month or 3% of Net Billings, if paid to us or our affiliate
(not currently imposed)</td><td>10 days after invoice or as we otherwise specify</td><td>Imposed if we administer a call center. If a third party administers the call center, you pay fees to the third-party provider unless we choose to collect the fees from you and remit them to the provider.</td></tr>
<tr><td>Training Fee</td><td>Up to $750 per person per day, plus Travel Expenses for onsite training</td><td>10 days after invoice</td><td>Imposed for: supplemental or refresher training; initial training after opening, remedial training; or additional training you request.</td></tr>
</table>

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Conference Registration Fee	Up to $2,000 per person per conference, but currently $495 per person per conference	Prior to conference	We may hold conferences to discuss matters affecting franchisees. Your Responsible Owner and Designated Manager must attend our annual conference unless we designate attendance as optional or grant you a waiver for good cause. You must still pay us the fee if your Responsible Owner and Designated Manager fail to attend a required conference without a waiver from us.
New Product or Supplier Testing	Cost of testing (estimated to range from $200 to $500 per test)	10 days after invoice	This covers the costs of testing new products or inspecting new suppliers you propose.
Transfer Fee	50% of then-current initial franchise fee (reduced to $5,000 if buyer is an existing franchisee)	At time of Transfer	Imposed for all Transfers other than Permitted Transfers. If our broker finds the buyer, you must also reimburse all commissions we pay the broker.
Renewal Fee	50% of then-current initial franchise fee	Before or at time of renewal	Imposed if we grant you renewal rights for a 10-year renewal term.
Reimbursement of Quality Assurance Program Costs	Actual cost paid to company we hire	10 days after invoice	If we hire a person or company to inspect your EHC Business and the inspection reveals you are in material default, you must reimburse any fees or other amounts we pay them for the inspection.
Reimbursement of Inspection Costs	All Travel Expenses and other costs we incur to inspect your Business	10 days after invoice	Imposed if we inspect your Business to verify that you cured a (a) health or safety issue identified by a government agency or (b) breach of system standards we brought to your attention.
Audit Fee	Actual cost of audit (including Travel Expenses for audit team)	10 days after invoice	Imposed if an audit is necessary because you fail to send us required information in a timely manner or reveals you understated Net Billings by 2% or more (or by any amount if intentional).
Late Fee	$150 plus default interest at lesser of (a) 18% per annum (prorated on daily basis) or (b) highest rate allowed by applicable law	10 days after invoice	If our debit of your account is rejected or your check is returned for insufficient funds, we may charge (in addition to the late fee) an NSF fee of $50 per incident. Default interest is limited to 10% per annum in California.
Noncompliance fee	$250 per incident	Upon demand	Imposed if you fail to comply with a mandatory standard or operating procedure (including timely submission of required reports) and do not cure within the time period we require. We may impose an additional $250 fee each week until you cure the noncompliance issue.
Unauthorized Extra-Territorial Operations Fee	120% of revenue generated from unauthorized extra-territorial operations	Upon demand	Imposed if you engage in extra-territorial business activities prohibited by the Franchise Agreement. You must also cease such activities and transition affected clients to the EHC Business we designate.
Default Reimbursement & Admin Fee	120% of costs we incur to cure your breach	10 days after invoice	If you fail to timely cure a breach of the Franchise Agreement or our brand standards (e.g., failure to maintain insurance, pay suppliers or meet quality standards), we may take steps to cure on your behalf and you must pay us 120% of our costs.
Client Support Fee	150% of costs we or another EHC Business incur to assist your clients	10 days after invoice	Imposed if we receive a complaint from your client and decide to support or assist the client ourselves or via another EHC Business to resolve the issue.

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Management Fee	Up to $1,000 per day plus Travel Expenses	10 days after invoice	If you fail to cure a Franchise Agreement default or the Responsible Owner fails to perform his/her duties, we can designate a person to manage your Business until you cure the default or replace the Responsible Owner.
Indemnification	Amount of our damages, losses or expenses	10 days after invoice	You must indemnify us for losses and expenses we incur due to your operation of the EHC Business or breach of the Franchise Agreement.
Attorneys' Fees and Costs	Amount of attorneys' fees and costs we incur	Upon demand	You must reimburse all attorneys' fees and costs we incur relating to your breach of the Franchise Agreement or any related agreement.
Liquidated Damages	2 years of royalty & brand fund fees - see Note 4	30 days after invoice	Imposed if we terminate due to your default or you wrongfully terminate.

Notes:

1. Nature and Manner of Payment: All fees are imposed by and payable to us except: (a) you pay the cooperative advertising fee directly to the cooperative (we may instead require you to pay this fee to us, in which case we remit the fee to the cooperative on your behalf); and (b) you spend the Local Marketing Commitment directly with third-party suppliers. All fees are nonrefundable and uniformly imposed. You must sign the ACH Authorization Form attached to the Franchise Agreement permitting us to electronically debit your designated bank account for all amounts owed to us. You must deposit all revenue into the bank account and ensure sufficient funds are available for withdrawal before each due date.

2. Definitions: As used in this Disclosure Document, the following terms have the meanings below:

   "***Brand Fund***" means the brand and system development fund we currently administer to promote public recognition of our brand and improve our System.

   "***Designated Manager***" means the person you appoint (who may, but need not, be the Responsible Owner) who will personally supervise your Business on a full-time basis.

   "***Net Billings***" means the total gross sums that: (a) you bill or invoice for all goods and services sold from or relating to your Business (including amounts you bill but cannot collect); (b) we or our affiliate pay you for servicing a strategic relationship account; or (c) otherwise relate to your Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Net Billings excludes: (a) sales or use taxes; (b) revenue from the sale of furniture, fixtures or equipment in the ordinary course; and (c) client reimbursements for expenses you incur to purchase products or services for the client from third parties. The Manual may include policies governing calculation of Net Billings relating to gift card sales proceeds.

   "***Permitted Transfer***" means a Transfer: (a) between existing owners; or (b) by the owners to a new business entity that is 100% owned and controlled by the transferring owners. It does not include a Transfer in (a) or (b) that results in the Responsible Owner owning less than 20% of the franchised business.

   "***Responsible Owner***" means the owner you appoint and we approve with primary responsibility for the overall management and operation of your Business.

   "***Technology Systems***" means all information and technology systems we designate including computer and point-of-sale systems, client billing systems, payroll processing systems, telecommunications systems, security systems, AI technology and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, applications and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

   "***Transfer***" means a transfer or assignment of: (a) the Franchise Agreement; (b) your Business assets (other than the sale of furniture, fixtures or equipment in the ordinary course); (c) an ownership interest in the entity that is the "franchisee"; or (d) the franchised business you conduct under the Franchise Agreement.

   "***Travel Expenses***" means all travel, meals, lodging, local transportation and other living expenses incurred:

(a) by us and our trainers, field support personnel, auditors or other representatives to visit your Territory; or (b) by you or your personnel to attend training programs or conferences.

3. CPI Adjustment: All fees (including minimum fees and fee caps) expressed as a fixed dollar amount are subject to adjustment based on changes to the Consumer Price Index in the United States (CPI). We may periodically review and increase the amounts up to the increase in the CPI, but only if the increase to CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of the Franchise Agreement (for the initial CPI adjustment); or (b) the date we implemented the last CPI adjustment (for subsequent CPI adjustments). We will notify you of any CPI adjustment at least 60 days before it goes into effect. We may implement no more than 1 CPI adjustment during any 5-year period.

4. Liquidated Damages: You must pay us liquidated damages if: (a) we terminate the Franchise Agreement due to your default; or (b) you terminate the Franchise Agreement prior to its expiration date (except in accordance with the provisions governing your right to terminate following our uncured breach). Liquidated damages are calculated as the sum of average monthly royalty fees and brand fund fees imposed during the 12-month period preceding termination (or your entire period of operation if less than 12-months) multiplied by the lesser of: (a) 24; or (b) the total number of months remaining under the term. If you pay us liquidated damages in a timely manner, we may not pursue a claim against you for lost profits (but we may still seek other damages we incur due to your breach).

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**
Initial Franchise Fee	$49,900	Lump sum	At time you sign Franchise Agreement	Us
Territory Fee	$0 to $16,633	Lump sum	At time you sign Franchise Agreement	Us
Initial Training Expenses [2]	$2,000 to $5,000	As incurred	During training	Suppliers
Computer & POS System	$3,000 to $6,000	As incurred	Before opening	Suppliers
Signage & Trade Dress [3]	$2,500 to $5,000	As incurred	Before opening	Suppliers
Furniture, Fixtures, Equipment & Supplies [4]	$1,000 to $5,300	As incurred	Before opening	Suppliers
Deposits & Rent [5] (3 months' rent)	$1,000 to $5,000	As incurred	Rent paid monthly; deposits paid before opening	Landlord & utility companies
Insurance & Bond [6]	$5,000 to $15,000	As incurred	Before opening	Suppliers
Licenses & Permits [7]	$250 to $10,000	As Arranged	Prior to opening	Government agencies
Pre-opening Advertising [8]	$1,000 to $2,500	As incurred	Before opening	Suppliers
Professional Fees [9]	$500 to $5,000	As incurred	Before opening	Lawyers & accountant
Additional Funds [10] (3 months)	$40,500 to $50,000	As incurred	As incurred	Suppliers, employees & us
Total Initial Investment [11]	$103,950 to $165,133			

Notes:

1. Financing and Refunds: We do not offer direct or indirect financing. No amounts paid to us are refundable. We are not aware of any amounts paid to third-party suppliers that are refundable, although your landlord may refund your security deposit at the end of the lease if you do not damage the property or default.

2. Initial Training Expenses: This estimates your expenses to send 1 to 2 people to Scottsdale, Arizona for approximately 5 days of in-person training. Your actual training expenses may vary depending on: (a) the number of people you send to training; (b) the distance they must travel; and (c) the level and quality of accommodations, travel and dining selected.

3. Signage & Trade Dress: You must purchase, install and display the interior and exterior signage and trade dress that we designate.

4. Furniture, Fixtures, Equipment & Supplies: A typical EHC Office includes 2 desks, a waiting area where clients can be seated and other office furniture. This estimate includes the cost for required furniture, fixtures equipment (including the VOIP phone system) and supplies (including uniform shirts for 10 staff members, client forms and contracts, business cards, binders, folders and sign-up packages).

5. Deposits & Rent: You must operate from an approved EHC Office that includes a welcome area and at least 2 offices or conference rooms. Most EHC Offices consist of an executive suite (or similar office) ranging in size from 800 to 1,200 square feet. Unless prohibited by applicable law, an EHC Office may consist of "shared office space" but not "co-working space". Rent varies depending on factors such as the size and location of the premises and local market conditions. The estimate in the table includes: (a) estimated lease and security deposits; and (b) the first 3 months' rent. Your lease may impose additional fees such as common area maintenance charges, taxes, insurance, and in some instances, percentage rent. If your EHC Office consists of shared offices space, your investment may be lower. At this time, we do not require franchisees to complete any construction, renovations or leasehold improvements.

6. Insurance & Bond: You must purchase the minimum insurance we require. Insurance premiums vary based on numerous factors including your Territory location, claims history and number of caregivers/employees. Some states may require you to purchase a fidelity bond. This estimate includes 3 months of insurance premium. The high estimate also includes the estimate cost to purchase a bond.

7. Licenses & Permits: You must procure all licenses and permits required by law. The costs for permitting and licensing vary from location to location. If your Business is located in California or Florida, we recommend you use our preferred consultant who can help expenditure the process. If you use a consultant, your total costs may be higher (up to $18,000 in California and Florida).

8. Pre-Opening Advertising: You must spend at least $1,000 on pre-opening advertising and marketing activities that we require or otherwise approve. The high estimate assumes you choose to spend more.

9. Professional Fees: This includes the estimated fees for professionals you may choose to hire in order to:
   - assist you in reviewing this Disclosure Document and negotiating your Franchise Agreement
   - advise you regarding local laws and regulations applicable to an EHC Business
   - form a business entity (the high estimate includes incorporation costs)
   - set up your books, records and accounts
   - develop a business plan and budget for the development and operation of your Business

   These services are optional but highly recommended. However, during your 1st year of operation you must contract with a company we designate to help you with accounting and financial management matters.

10. Additional Funds: This estimates your expenses during the first 3 months of operation including: payroll costs (includes salary for 1 branch manager and 1 patient coordinator, but excludes any wage or salary paid to you); advertising expenses; technology fees; third-party software fees; additional operating supplies; gas and vehicle-related expenses; and other miscellaneous expenses and required working capital. Your initial 3 months of rent and insurance premium are listed separately in the table. These figures are estimates based on our franchisees' experience developing, opening and operating EHC Businesses. The Additional Funds listed in the table covers a 3-month period. However, we strongly recommend you have enough funds to cover a 1-year period after opening, which we estimate to be $162,000 to $200,000 (this range includes the $40,500 to $50,000 for Additional Funds for the initial 3-month period).

11. Initial Investment Report: Within 60 days after your opening date, you must send us a report, in the form we designate, listing the expenses you incur to develop and open your EHC Business. We may use this data to update the initial investment estimate in future versions of our Franchise Disclosure Document.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source-Restricted Purchases and Leases - Generally

You must purchase or lease certain source-restricted goods and services to develop and operate your EHC Business. "Source-restricted" means the good or service must meet our specifications or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate). The Manual includes our specifications (if any) and supplier list. We may notify you of changes to our specifications and suppliers by email notification, updates to the Manual or other means of communication.

Supplier Criteria

Our criteria for evaluating suppliers include standards for: (a) quality, performance, design, appearance and price of the product or service; and (b) dependability, production capabilities, reputation and financial strength of the supplier. Upon request, we may provide you with objective specifications we use to evaluate suppliers or products, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing. At this time, however, we do not share our confidential specifications with franchisees or suppliers.

If you wish to purchase or lease a source-restricted item from a non-approved supplier, you must send us: (a) a written request for approval; (b) product samples for testing purposes; and (c) all additional information we request. The supplier must agree to comply with our minimum insurance, indemnification, confidentiality and reporting requirements for system suppliers and allow us to periodically inspect their facility. We try to notify you of our decision within 30 days after we receive all required information and product samples. We may periodically reinspect approved products and suppliers and revoke our approval if they fail to meet our then-current criteria. You must reimburse all costs we incur to evaluate products and suppliers you propose.

Current Source-Restricted Purchases and Leases

We estimate 80% to 90% of the total purchases and leases to develop an EHC Business and 10% to 20% of ongoing operating expenses consist of source-restricted goods or services, as further described below.

Furniture, Fixtures, Equipment, Signage and Operating Supplies

All your furniture, fixtures equipment, signage and operating supplies must meet our standards and specifications. Some of these items must be purchased from suppliers we designate or approve. Others may be purchased from any supplier of your choosing.

Technology Systems

Your Technology Systems (including hardware, software, equipment, applications and similar items) must meet our standards and specifications. You must purchase the computer system, POS system, office management software and VOIP phone system that we designate. Certain Technology System components must be purchased from approved or designated suppliers. Other components may be purchased from any supplier of your choosing. We may require you to purchase certain services relating to the establishment, use, maintenance, monitoring, security or improvement of Technology Systems from approved or designated suppliers.

Marketing Materials and Services

All marketing materials must comply with our brand standards and other requirements. We must approve your marketing materials prior to use. You must purchase branded marketing materials only from us or other suppliers we designate or approve. We may require that you contract with and utilize a company we designate to: (a) develop and/or implement your grand opening marketing campaign; and/or (b) manage your social media.

Call Center

We reserve the right to implement a call center. The call center could be administered by us or a third-party suppler we designate. If we implement a call center, you must participate in accordance with our policies and procedures and pay all associated fees.

Accounting and Financial Management Services

During your first year of operation, you are required to contract with a company we designate to help set up your books and records and assist you with accounting and other financial planning and setup services.

Insurance Policies

You must obtain the minimum insurance coverage we require (whether in the Franchise Agreement or in the Manual) from licensed insurance carriers rated A- or better by AM Best, including the following:

Policy Type	Minimum Coverage
Comprehensive General Liability Insurance	$1,000,000 per occurrence and $3,000,000 in the aggregate
Professional Liability Insurance	$1,000,000 per occurrence and $1,000,000 in the aggregate
Automobile Liability Insurance	$1,000,000 per occurrence and $1,000,000 in the aggregate
Property Insurance	At least 80% of replacement cost (with maximum deductible of $2,500)
Cyber Liability Insurance	$1,000,000 per occurrence and $1,000,000 in the aggregate
Commercial Umbrella Insurance	$1,000,000 per occurrence and $3,000,000 in the aggregate
Business Interruption Insurance	At least 6 months' coverage (including royalty fee coverage)
Employer's Liability Insurance	$250,000 per occurrence
Worker's Compensation Insurance	As required by law (but at least $500,000)
Insurance Required By Law/Landlord	As required by law or lease, as applicable

The required coverage and policies are subject to change. Each policy must be endorsed to: (a) name us and our owners, officers and directors as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. Depending on state law, you may need to purchase a fidelity bond satisfying the state's minimum requirements.

Purchase Agreements

We may attempt to negotiate purchase agreements with suppliers, including favorable pricing terms, for the benefit of franchisees. As of the date of this Disclosure Document, we have negotiated purchase agreements (including pricing terms) with suppliers of various goods and services, including payroll, technology systems/software, web-based services (including SEO), employee uniforms, merchandise and other branded products and print materials. We may also purchase items in bulk and resell them to you at our cost plus a markup. Currently there are no purchasing cooperatives but we may establish them in the future. You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing we negotiate.

Franchisor Revenue from Source-Restricted Purchases

We are currently the exclusive designated supplier for: (a) the software, technology and related tools we provide in exchange for our current technology fee; and (b) in-house call center services (which we expect to implement in 2026 or 2027, either directly or through an affiliate). We may designate ourselves or an affiliate as an approved or designated supplier for other goods or services in the future. We and our affiliates may generate a profit from these purchases. No person affiliated with us is currently an approved (or the only approved) supplier. There are no approved or designated suppliers in which any of our officers own an interest.

We may receive rebates, payments or other material benefits from suppliers based on your purchases and leases. We have no obligation to pass these amounts through to you or use them in any particular manner. Our parent, Evive, receives a rebate of up to 5% of the cost of employee uniforms, merchandise and other branded products and print materials purchased through our online store (this rebate becomes effective in 2026). There are no other currently-effective supplier relationships involving rebates, payments or other material benefits to us or our affiliates.

Our total revenue during the 2025 fiscal year was $1,391,517. During that year, we generated $92,884 in revenue as a result of franchisee purchases or leases, which represents 6.7% of our total revenue for that year.

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	7.1 & 7.2	Item 7 & Item 11
b. Pre-opening purchases/leases	7.3, 11.6, 16.1 & 16.5	Item 7, Item 8 & Item 11
c. Site development and other pre-opening requirements	7.3 & 7.4	Item 6, Item 7 & Item 11
d. Initial and ongoing training	5	Item 6 & Item 11
e. Opening	7.4	Item 11
f. Fees	3.1, 3.4, 4.2, 5.4, 5.5, 6.7, 8.5, 10.1, 10.4, 11.6, 11.8, 11.9, 11.12, 11.13, 11.14, 14, 16.1, 17, 20.2 & 22.3	Item 5 & Item 6
g. Compliance with standards and policies/Operating Manual	6.1, 7.1, 10.3, 11 & 18.1	Item 11
h. Trademarks and proprietary information	18	Item 13 & Item 14
i. Restrictions on products/services offered	11.2	Item 16
j. Warranty and client service requirements	11.11 &11.12	Not Applicable
k. Territorial development and sales quotas	12	Item 12
l. Ongoing product/service purchases	11.6	Item 8
m. Maintenance, appearance and remodeling requirements	11.7	Item 11
n. Insurance	16.1	Item 6, Item 7 & Item 8
o. Advertising	10	Item 6, Item 7 & Item 11
p. Indemnification	19	Item 6
q. Owner's participation/management/ staffing	8	Item 11 & Item 15
r. Records/reports	16.2 & 16.3	Item 6
s. Inspections/audits	17	Item 6 & Item 11
t. Transfer	20	Item 17
u. Renewal	4	Item 17
v. Post termination obligations	22	Item 17
w. Non-competition covenants	15	Item 17
x. Dispute resolution	23	Item 17
y. Owner Agreement (brand protection covenants, transfer restrictions and financial assurance for owners and spouses)	9 & ATTACHMENT "D"	Item 15

ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee any of your notes, leases or obligations.

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

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

Before you open your EHC Business, we will:

1. Provide access to our Manual which will help you develop and operate your EHC Business. The Manual includes 165 pages. The Table of Contents is attached as EXHIBIT "E". (§6.1 & 11.1)
2. Evaluate sites you propose for your EHC Office, as discussed below under *Site Selection*. (§7.1)
3. Provide our written specifications for goods and services you must purchase to develop, equip and operate your EHC Business and a list of suppliers. We do not deliver or install any items you purchase. (§11.1)
4. Provide access to approved advertising materials, as discussed below under *Advertising*. (§10.2)
5. Provide an initial training program, as discussed below under *Training*. (§5.1)
6. Issue you a Certificate of Opening, authorizing you to open your Business, after we review and confirm that you: (a) completed initial training to our satisfaction; (b) properly equipped your EHC Office; (c) hired and trained the necessary staff; (d) secured all required permits, licenses and authorizations (including state licensure, if applicable); and (e) obtained required insurance policies. (§7.4)

During the operation of your EHC Business, we will:

1. Offer guidance, advice and recommendations in response to your questions or to improve the operation of your Business. (§6.2)
2. Provide periodic training programs, as discussed below under *Training*. (§5.2)
3. Maintain a corporate website to promote our brand and a local webpage to promote your EHC Business, as discussed below under *Advertising*. (§6.5 & 10.3)
4. Administer the Brand Fund, as discussed below under *Advertising*. (§10.1)
5. Provide you with our suggested retail pricing. You may deviate from our suggested pricing except: (a) we may require you to offer limited time promotional pricing or charge pricing we negotiate for EHC Services you provide under a Strategic Relationship program; and (b) we may, to the extent permitted by applicable law, set maximum or minimum prices on the goods and services you sell. (§11.4)

During the operation of your EHC Business, we may, but need not:

1. Conduct periodic field visits to provide onsite consultation, assistance and guidance. (§6.3)
2. Administer a call center (either ourselves or through a third-party provider) to answer client calls, set client appointments, route new client leads to an appropriate EHC Business and/or provide other services we deem appropriate. If we establish a call center program, you must participate and pay the associated fees. (§6.7)
3. Develop and implement Strategic Relationships, as discussed below under *Strategic Relationships*. (§6.4)
4. Develop new EHC Services, merchandise, retail products or other goods or services you may sell. (§6.8)
5. Negotiate supplier agreements to obtain favorable pricing. (§6.6)
6. Host periodic conferences to discuss relevant business and operational topics. (§5.5)
7. Provide additional training or assistance you request, as discussed below under *Training*. (§5.2)

Training (§5)

Initial Training Program

After we approve the site of your EHC Office, we will provide an initial training program for your Responsible Owner (you may send other owners to initial training but it is not required) and Designated Manager (if any) ("Initial Trainees"). You may not commence operations or open your Business until the Initial Trainees successfully complete initial training to our satisfaction.

Initial training currently includes approximately 5 days of in-person franchise management and operations training ("Management Training") that takes place at our corporate headquarters in Scottsdale, Arizona (or any other training location we designate). We reserve the right to conduct Management Training virtually.

The training materials include the Manual and related forms. There is no additional charge for these items. We can modify the training program at our discretion based on our subjective assessment of the skills, abilities and prior experience of the Initial Trainees. We will offer initial training as often as reasonably necessary to enable you to complete it prior to your opening deadline. Initial training currently covers the following topics:

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Welcome & Introduction Operations Manual & Systems Overview Industry Overview: Home Care Service Offerings	6	0	Arizona
Caregiver Recruitment Overview & Strategies Applicant to Hire Process Market Research & Establishing Pay Rates Caregiver Retention and Staffing Best Practices WellSky Overview	8	0	Arizona
Introduction to Client Leads Client Intake (Inquiry to Assessment) In-Home Assessments Client & Caregiver Matching Start of Case Process (1st day of service) Customer Service & Client Retention Market Research to Establish Bill Rates	8	0	Arizona
Marketing Services Review	1	0	Arizona
Finance Overview	1	0	Arizona
Continuum of Care: Intensive Sales Training	6	0	Arizona
Total	30	0	

Post-Opening Training Programs

From time to time, we may offer additional training programs at the time and in the manner we designate. We may require one or more members of your management team to attend, and successfully complete, any additional training we designate.

Instructors

Jeanette Weinz is in charge of our training program. She has been with us since 2025 and currently serves as our Brand Leader. Jeanette has approximately 30 years of experience in the home care and medical staffing field, including serving as National Director of Operations (United States) for Nurse Next Door, Vice President of Franchise Operations for ATC Healthcare, National Franchise Business Consultant for Home Helpers Franchise, Director of Business Development and National Alliances for FirstLight Home Care and Vice President of IncreMedical, among others. Jeanette may be assisted by other instructors with at least 1 year of experience in the relevant field.

Training Fees and Costs

We provide our preopening initial training program at no additional charge for up to 3 Initial Trainees. If you send more than 3 Initial Trainees to initial training, we may charge an initial training fee of $500 for each Initial Trainee you send in excess of 3. We may charge you a training fee of up to $750 per person per day for each person who attends: (a) refresher or supplemental training; (b) initial training after you open (e.g., new Responsible Owner or Designated Manager); (c) remedial training; or (d) additional training you request. You must also reimburse our Travel Expenses for onsite training or assistance. You are responsible for all wages and Travel Expenses that you and your trainees incur for training

Site Selection (§7.1)

A typical EHC Office consists of an executive suite (or similar office) ranging in size from 800 to 1,200 square feet. Your EHC Office must include a welcome area and at least 2 offices or conference rooms. We do not select the site for your EHC Office and we do not purchase the premises and lease it to you. You must obtain our approval of the site for your EHC Office before you commence operations. In some states, however, you must have a site at the time you apply for a home care license. If you live in one of these states, you must obtain our approval of your site before you apply for the license. We may terminate your Franchise Agreement if you fail to meet the site approval deadline or if we cannot agree on a site.

Your EHC Office must be located in your Territory and conform to our minimum demographic/geographic requirements, which vary by region. You must send us a complete site report that includes all information we require about your proposed site. We approve or disapprove sites within 30 days after receiving the site report. We primarily consider the following factors when evaluating sites: (a) local demographics; (b) visibility, size, condition, configuration and characteristics of the building; (c) accessibility and availability of parking; and (d) potential lease terms.

We do not help you negotiate your lease.

Site Development (§7.3)

The Manual includes our standards and specifications for the design, layout, equipping and trade dress for an EHC Office. You must, at your expense, develop and equip your EHC Office to conform to the specifications in the Manual. We do not expect you will need to remodel, renovate or structurally alter the premises to conform to our specifications. Your EHC Office must present a professional appearance and be kept in good order. You must purchase (or lease) and install all equipment, fixtures, signs and other items we require. We do not require you to remodel or renovate your EHC Office during the term of the Franchise Agreement.

Opening Requirements (§7.4)

We expect most franchisees will open within 4 months after signing the Franchise Agreement. Factors that may affect this time include the amount of time needed to: (a) find an approved site; (b) secure financing, insurance, licenses (including a fidelity bond if required by state law) and permits; and (c) hire staff and complete training. Your opening could also be delayed due to bad weather or delayed delivery or installation of required furniture, fixtures or equipment. We recommend ordering your computer system at least 2 weeks before your projected opening to ensure adequate time for installation and configuration. You may not open without our approval.

Advertising (§10 & 13)

Our Advertising Obligations

We have no obligation to conduct advertising for the franchise system. However, we may periodically create advertising and marketing materials for your use (e.g., video and audiotapes, copy-ready print advertising materials, posters, banners and miscellaneous items). We may: (a) use the Brand Fund to pay for the creation and distribution of these materials, in which case there will be no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; or (c) contract with third-party suppliers to create and sell advertising and marketing materials to you.

Your Advertising Obligations

You must participate at your own expense in all advertising, promotional and marketing programs we require. You must spend at least $1,000 on pre-opening advertising and marketing activities that we require or otherwise approve. After opening, you must spend a monthly amount equal to or greater than your Local Marketing Commitment (greater of 1% or Net Billings or $750 per month) on local advertising. You must provide us with copies of receipts and evidence of your compliance with these minimum advertising expenditures. If you do not expend the minimum required amount on local advertising, we may require you to pay us the deficiency (we may elect to deposit this amount into the Brand Fund or use it to advertise in your Territory).

You may develop your own advertising and marketing materials and programs but we must approve them prior to use. We must also approve the media you intend to use. You may not use any advertising materials, programs or media that we have not approved.

Websites, Social Media and Digital Advertising

We maintain a corporate website to promote our brand. We will also create and host a local webpage for your EHC Business that will be linked to our corporate website and list information about your EHC Business we deem appropriate. We can modify or discontinue our website and/or your EHC Business's webpage at any time.

Except for the webpage we provide, you may not: (a) develop, host, or otherwise maintain a website (or other digital presence) bearing our Marks; (b) conduct digital or online advertising; or (c) engage in ecommerce. However, we do permit you to market your Business through approved social media channels, subject to the following requirements:

- you may only conduct social media utilizing social media platforms we approve
- you must strictly comply with our social media policy, as revised from time to time
- you must immediately remove any post we disapprove
- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrator rights to your social media accounts
- we must retain ownership of all social media accounts relating to your EHC Business

Gift Card and Loyalty Programs

We may require that you participate in a gift card or other customer loyalty program in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment, software and/or Apps and pay fees relating to the use of that equipment, software and/or Apps. We have the right to determine how proceeds from gift card sales are divided or otherwise accounted for and we may retain proceeds from unredeemed gift cards. You must follow all policies we establish for gift card and/or loyalty programs.

Advertising Cooperatives

We may, but need not, establish regional advertising cooperatives for purposes of pooling advertising funds to be used in discrete regions. We determine the boundaries of the cooperative, which usually coincide with zip codes, designated marketing areas or municipal boundaries. If your EHC Business is located in a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the cooperative advertising fee will not exceed the Local Marketing Commitment unless 2/3 of the cooperative members vote in favor of a higher fee. All cooperative advertising fees you pay are credited against your Local Marketing Commitment. Company-owned EHC Businesses located in cooperatives contribute on the same basis as franchisees.

We specify the manner in which the cooperative is organized and governed. We may administer the cooperative ourselves. Or we may establish an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that cooperatives operate in accordance with written bylaws, organizational documents or other governing documents we approve. Advertising cooperatives are not required to prepare annual or periodic financial statements, but we may change this policy. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate advertising cooperatives at any time. No advertising cooperatives were in effect on December 31, 2025.

Brand and System Development Fund

We currently administer a Brand Fund to promote public awareness of our brand and improve our System. We may use the Brand Fund to pay for any of the following:

- developing, distributing or administering advertising and marketing materials and programs
- conducting and administering promotions, contests or giveaways
- public and consumer relations and publicity
- brand development
- sponsorships and charitable and nonprofit donations and events
- research and development of technology, products and services
- website development and search engine optimization
- development, maintenance and promotion of an ecommerce platform
- development and implementation of quality control programs
- conducting market research
- advertising training programs
- changes and improvements to the System
- fees and expenses charged by advertising agencies we engage to provide marketing services
- collecting and accounting for brand fund fees and preparing financial accountings of the Brand Fund
- any other programs or activities we deem appropriate to promote or improve the System
- reimbursing us for administrative, overhead and other expenses we incur to administer the Brand Fund, including compensation paid to our personnel for time spent working on Brand Fund matters

We direct and have complete control and discretion over all advertising programs paid for by the Brand Fund, including the creative concepts, content, materials, endorsements, frequency, placement and media used. Advertising may be local, regional or national in coverage and utilize any media we deem appropriate (e.g., digital, print, television, radio or billboard). The Brand Fund will not be used to pay for advertisements principally directed at selling additional franchises, although consumer advertising may include notations such as "franchises available" and one or more pages on our website may promote the franchise opportunity.

You must pay the brand fund fee we specify from time to time (not to exceed 2% of Net Billings). Company-owned EHC Businesses (if any) contribute to the Brand Fund on the same basis as franchisees. All monies deposited into the Brand Fund that are not used in the fiscal year in which they accrue will be used in a subsequent year. Any surplus of monies may be invested and we may lend money if there is a deficit. Brand fund fees are kept in a separate account and not commingled with our other funds. An unaudited financial accounting of Brand Fund contributions and expenditures will be prepared annually and made available to you upon request. During the 2025 fiscal year we spent the marketing funds in the following manner:

Allocation of Marketing Expenditures (2025)				
Use of Funds	**Production**	**Media Placement**	**Administrative Expenses**	**Other***
Allocation	33%	30%	37%	0%

The Brand Fund is not a trust. We have no fiduciary obligations or liability to you with respect to our administration of the Brand Fund. Once established, we may discontinue the Brand Fund on 30 days' notice.

Franchisee Advisory Council

There is currently no franchisee advertising council that advises us on marketing and advertising matters.

Strategic Relationships (§6.4)

We may (but need not) negotiate strategic business relationships with Strategic Relationship Partners to enhance our System or expand the potential client base for EHC Businesses ("Strategic Relationships"). A "Strategic Relationship Partner" means a business, organization, association, Regional Referral Source (as described in Item 12) or other institution that is comprised by or has relationships with members, employees, clients or other constituents who: (a) may be in need of EHC Services, or may be in a position to refer clients in need of EHC Services; and (b) are located or reside within the territories of multiple EHC Businesses. Examples include hospitals, nursing homes, assisted living centers and associations for seniors (e.g., AARP). A "Strategic Relationship Client" means a person who: (a) is a member, employee, client or other constituent of, or who is referred by, a Strategic Relationship Partner; and (b) receives EHC Services from an EHC Business in accordance with the terms of a contract we negotiate with the Strategic Relationship Partner.

You must participate in all Strategic Relationships we establish and honor the terms we negotiate with the Strategic Relationship Partner (including, if applicable, negotiated pricing terms). The Manual describes our current Strategic Relationship programs (if any) and the terms of participation, including the compensation paid to EHC Businesses. We reserve the right to collect payments from Strategic Relationship Partners and remit them to you. These programs and Strategic Relationships may change from time to time. We have no obligation to maintain Strategic Relationships or develop new ones. We have the exclusive right to establish Strategic Relationships and enter into contracts with Strategic Relationship Partners. You are prohibited from doing so. You must refer all potential Strategic Relationship opportunities to us.

Computer System (§11.6, 11.7, 11.8, 16.3 & 17.1)

Description of Computer System

You must purchase and use all Technology Systems we designate. You must purchase a computer system that includes: (a) 2 computers with Microsoft Office; (b) 1 multi-function color laser printer and 1 ID printer; (c) Wellsky Personal Care; (d) Home Care Pulse; and (e) QuickBooks Online. We may change the required Technology Systems from time to time, including your computer system.

Description of How Computer System is Used

You will use your computer system to help you operate your Business. Wellsky Personal Care is a web-based operating platform that serves as your point-of-sale system and performs client billing, scheduling and payroll functions. You will use Home Care Pulse to provide data analytics, eLearning tools and reputation management services. You will use QuickBooks Online to perform financial and accounting functions and generate financial reports.

We provide you with up to 3 EXECUTIVE HOME CARE® email addresses in exchange for our standard technology fee. You must exclusively use these email addresses for all communications with us, customers, suppliers and other persons relating to your Business. We may also provide you with a designated phone number for your business. If we do not provide a phone number, you must notify us of the primary phone number associated with your business. We will own all EXECUTIVE HOME CARE® email addresses and your primary business phone number (whether provided by us or you), but allow you to use them during the term of the Franchise Agreement.

Fees and Costs

We estimate the initial cost of your computer system is $3,000 to $6,000 (includes $500 per computer for software and $2,000 to $5,000 for computer hardware). As further detailed in Item 6, you pay us a technology fee for any software, technology and related services we provide. The technology fee will not exceed $750 per month. The table below estimates your ongoing fees and costs pay for software, technology, Apps, subscriptions and related services (including the software, technology and related services covered by the technology fee):

COMPUTER SYSTEM – ONGOING FEES AND COSTS [1]			
Item	**Fees and Costs**		**To Whom Paid?**
	Monthly	***Annual***	
Technology Fee	Up to $750 [2] (currently $200)	Up to $9,000 (currently $2,400)	Us
WellSky Personal Care	$10/customer/month	$120/customer/month	Third-Party Licensor
Home Care Pulse	$135	$1,620	Third-Party Licensor
QuickBooks Online	$150 to $180	$1,800 to $2,160	Third-Party Licensor

1. Fees charged by third-party licensors are subject to change.
2. We may increase the $750 monthly technology fee cap based on CPI increases (but no more frequently than once every 5 years). The current technology fee ($200 per month) covers your webpage, up to 3 EXECUTIVE HOME CARE® email addresses, your primary business phone number and access to LMS. If you require more than 3 email accounts, you must pay an additional technology fee of $30 per month ($360 per year) for each email account you require in excess of 3 (subject to the $750 monthly fee cap).

Maintenance, Support, Updates and Upgrades

In exchange for the monthly fees listed above, the licensors of the software programs will provide any required maintenance or updates for the software. You are responsible for hardware repairs and replacement of system components no longer covered under warranty. We are not aware of any optional or required maintenance, updating, upgrading or support contracts. Neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system except as disclosed above.

Collection and Sharing of Data

Your computer system will collect various financial and operational data pertaining to your Business (including client data). We have independent unlimited access to the data collected on your computer system and there are no contractual limits imposed on our access.

Computer System Maintenance and Changes

You must maintain the computer system in good condition at your cost. We may require that you upgrade, update or otherwise change your computer system and other Technology Systems to conform to our then-current specifications. There is no contractual limitation on the frequency or cost of these updates, upgrades or changes.

ITEM 12 TERRITORY

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

Location of EHC Office

The Franchise Agreement grants you the right to operate your Business solely within your Territory (subject to limited exceptions described below) from the EHC Office we approve. You may relocate your EHC Office with our approval. If we allow you to relocate you must: (a) obtain our approval of the site for your new EHC Office (which must be in your Territory); (b) develop and equip your new EHC Office to conform to our then-current System standards and specifications; (c) sign a general release (subject to state law); (d) remove trade dress and alter the premises of your former EHC Office to eliminate any resemblance to an EXECUTIVE HOME CARE® office; and (e) close your EHC Office for no more than 3 days* while you move equipment and fixtures (you must to continue to operate your Business at all times).

* If your EHC Office is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, you have 120 to relocate and open your new EHC Office.

Territory Description

We will grant you a Territory with a minimum population of 300,000 unless you specifically request a Territory comprised by a metropolitan area with a population of less than 300,000. We may designate the boundaries of your Territory in any manner we deem appropriate. We have no obligation to modify your Territory based on population changes during the term of the Franchise Agreement. Upon renewal, we reserve the right to modify the boundaries of your Territory in accordance with our then-current territory guidelines and criteria.

Territorial Protections and Limitations

Although we do not grant exclusive territories, we do grant you the territorial protections described below:

EHC Offices

During the term of your Franchise Agreement we will not authorize another EHC Business (other than a Converted Outlet) to operate from an EHC Office in your Territory. We reserve the right to acquire (or be acquired by) another company or system that sells goods or services the same as or similar to the EHC Services you provide, and any outlet of the acquired or acquiring company that is located in your Territory may be converted into an EHC Business (a "Converted Outlet"). A Converted Outlet may engage in the same business activities as you within your Territory.

Clients

During the term of your Franchise Agreement we will not authorize another EHC Business (other than a Converted Outlet) to provide EHC Services to clients in your Territory unless any of the following apply:

- the client requests service from another EHC Business with whom the client has a pre-existing relationship
- the client was serviced by the other EHC Business before you acquired rights to the Territory
- the client is a Strategic Relationship Client and any of the following apply: (a) you are in default under the Franchise Agreement; (b) you fail to satisfy minimum criteria for participation in the Strategic Relationship program; or (c) the Strategic Relationship Partner objects to you servicing the Strategic Relationship Client
- you authorize another EHC Business to service the client under a signed agreement between you and the other EHC Business that we approve
- the client requires service at a time when you lack a state license necessary to lawfully operate your Business
- the client submits a formal complaint to us about your EHC Business and we decide to provide assistance or support to the client through another EHC Business in response to the complaint

Referral Sources

During the term of your Franchise Agreement we will not authorize another EHC Business (other than a Converted Outlet) to solicit referrals from referral sources in your Territory unless the referral source is a Regional Referral Source. A "Regional Referral Source" means a referral source who regularly refers, or who we believe is in a position to regularly refer, clients to EHC Businesses located in multiple markets or regions.

Targeted Marketing

During the term of your Franchise Agreement we will not authorize another EHC Business (other than a Converted Outlet) to conduct "targeted marketing" (described further below) within your Territory for purposes of soliciting clients or referral sources (other than Regional Referral Sources).

Minimum Performance Criteria

Commencing with the beginning of the 13th month after you open your EHC Business, you must use best efforts to achieve the following minimum monthly sales criteria (the "Minimum Sales Criteria"):

Time Period	Minimum Monthly Net Billings*
Months 13 through 24 after opening	$16,650 per month
Months 25 through 36 after opening	$25,000 per month
Months 37 through end of term	$33,300 per month

* These amounts may increase based on CPI increases in the manner discussed in Note 3 to Item 6.

We may terminate the Franchise Agreement if you fail to achieve the Minimum Sales Criteria for 5 or months during any consecutive 24-month period (commencing with the 13th month after opening). Your territorial protections do not depend on achieving any other sales volume, market penetration, or other contingency.

Alternative Channels of Distribution

We may sell, and license third parties to sell, goods and services that are the same as or similar to EHC Services (under the Marks or different trademarks) within your Territory through Alternative Channels of Distribution. An "Alternative Channel of Distribution" means any channel of distribution other than the sale or rendering of EHC Services from an EHC Office or within a client's home or other living facility. Examples include the sale of EHC Services (or any other goods or services): (a) through direct marketing, such as the Internet or telemarketing; (b) through retail stores that do not operate under the Marks; or (c) at wholesale. You are not entitled to any compensation for sales that take place through Alternative Channels of Distribution.

Vacant Territories

You may request the right to operate your Business in a Vacant Territory. A "Vacant Territory" means any geographic area adjacent to your Territory that, as of the relevant date, is neither assigned to nor serviced by another EHC Business. We may approve or reject your request. If approved, you may operate your Business in the Vacant Territory (including soliciting, advertising and providing EHC Services to clients who reside in the Vacant Territory and soliciting referral sources in the Vacant Territory), subject to the following:

- you may only operate in the Vacant Territory we designate
- you must demonstrate you are reasonably capable of consistently providing EHC Services to clients in the Vacant Territory in accordance with our standards, policies and procedures
- you must maintain all licenses necessary to lawfully operate in the Vacant Territory
- you receive no territorial rights or protections with respect to the Vacant Territory
- we may at any time for any reason (or for no reason) revoke our approval

If we revoke our approval, you must immediately discontinue Business operations in the Vacant Territory, send us copies of all data and contracts relating to clients and referral sources in the Vacant Territory, and help transition those clients and referral sources to another EHC Business we designate (unless we agree otherwise).

Restrictions on Sales and Marketing Activities

You can market and advertise outside your Territory as long as you: (a) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (b) do not engage in targeted marketing directed into another EHC Business's territory (unless conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received in both your Territory and another EHC Business's territory is not "targeted marketing" if: (a) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (b) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another EHC Business's territory. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory.

You cannot service a client outside your Territory unless: (a) the client has a pre-existing relationship with you and requests service from you; (b) the client is located in a Vacant Territory we authorize you to service; or (c) we otherwise authorize you to service the client.

You may not market or sell using Alternative Channels of Distribution (such as the Internet, catalog sales, telemarketing or other direct marketing) either inside or outside your Territory. Your marketing activities are also subject to the restrictions described in Item 11 under *Websites, Social Media and Digital Advertising*.

There are no other restrictions on your right to solicit clients from inside or outside your Territory.

Additional Franchises and Territories

We do not grant options, rights of first refusal or similar rights to acquire additional territories or franchises.

Competing Businesses Under Different Marks

Neither we nor our affiliates currently intend to operate or franchise another business under a different trademark that sells products or services similar to EHC Services but we reserve the right to do so.

ITEM 13 TRADEMARKS

We registered the following Marks with the United States Patent and Trademark Office:

Mark	Registration No.	Registration Date (Renewal Date)	Register (Principal or Supplemental)
EXECUTIVE CARE	5568510	September 25, 2018 (February 7, 2025)	Principal
EXECUTIVE HOME CARE	7290191	January 23, 2024	Supplemental
CARE TO GIVE THE BEST	7600117	December 10, 2024	Principal
	7271291	January 9, 2024	Principal

All required affidavits have been filed and we intend to file all renewals by the required renewal date.

We may change the trademarks you may use from time to time, including by discontinuing use of the Marks listed in Item 13. If this happens, you must change to the new trademark at your expense.

You must notify us immediately if you discover an infringing use (or challenge to your use) of the Marks. We will take the action we deem appropriate. We are not required to take any action if we do not feel it is warranted. You may not control any proceeding or litigation involving our Marks. We will indemnify you against and reimburse you for: (a) all damages for which you are held liable in a judicial or administrative proceeding based on your use of our primary Marks (i.e., EXECUTIVE CARE® or EXECUTIVE HOME CARE®) in compliance with the Franchise Agreement and Manual; and (b) all costs you reasonably incur in defending against any such claim. Our indemnification obligation only applies if you notify us of the claim or proceeding in a timely manner and you are in full compliance with the Franchise Agreement and Manual.

Except as disclosed above, the Franchise Agreement does not require that we: (a) protect your right to use the Marks; (b) protect you against claims of infringement or unfair competition arising out of your use of the Marks; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our Marks or if the proceeding is resolved in a manner unfavorable to you.

There are currently no: (a) effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; (b) pending infringements, oppositions or cancellations; (c) pending material litigation matters involving any of the Marks; (d) infringing uses we are aware of that could materially affect your use of the Marks; or (e) agreements that limit our right to use or sublicense use of the Marks.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents or pending patent applications are material to the franchise. Although we have not filed an application for copyright registration for the Manual, our website or our marketing materials, we do claim a copyright to these items. There are no current material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding any patents or copyrights material to an EHC Business.

Confidential Information

During the term of the Franchise Agreement, we allow you to develop and operate your EHC Business using certain confidential and proprietary information (some of which constitute “trade secrets”) including: methods; techniques; policies; procedures; standards and specifications; supplier lists, customer lists and information regarding suppliers and customers; marketing strategies; and information comprising the System. We provide access to our confidential information through the Manual, training programs and other periodic support and guidance. We own all ideas, improvements, inventions, marketing materials and other concepts you develop relating to an EHC Business. We also own all operational and customer data pertaining to your EHC Business. You must treat this all of this data and information as confidential and proprietary.

You may not disclose our confidential information to anyone other than your employees, on a need-to-know basis, without our prior permission. Your employees and representatives must sign our current form of Confidentiality Agreement before you give them access to our confidential information. You may not enter any of our confidential or proprietary information into public/open AI models or any other AI model that uses such information to train the AI without our prior approval.

Infringements

You must promptly notify us if you discover an unauthorized use of our proprietary information or copyrighted materials. We are not required to act, but will respond as we deem appropriate. You may not control any proceeding or litigation involving allegations of unauthorized use of our proprietary information or copyrighted materials. We have no obligation to indemnify you for any expenses or damages you incur as a result of any such proceeding or litigation. There are no infringements known to us at this time.

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

Owner Participation

You must designate an owner with overall responsibility for your Business (the "Responsible Owner"). The Responsible Owner must: (a) be approved by us; (b) have binding decision-making authority on matters involving the Business; (c) successfully complete all training programs we require; (d) dedicate full-time best efforts to the Business; (e) provide onsite management of your EHC Office during normal business hours unless a Designated Manager is onsite; and (f) at all times hold at least a 20% ownership interest in the franchise. Any new Responsible Owner you appoint must successfully complete initial training before managing your Business.

Except as otherwise provided above with respect to your Responsible Owner, we do not require that your owners personally participate in the management or operation of your Business. If you are an entity, each person holding a direct or indirect ownership interest in the entity and their spouse must sign the Owner Agreement attached to the Franchise Agreement. By signing the Owner Agreement, the owner (or spouse of the owner) agrees to: (a) comply with all brand protection covenants (except to the extent prohibited by law), covenants that protect our intellectual property and transfer restrictions set forth in the Franchise Agreement; and (b) guarantee the franchisee's financial obligations.

Designated Manager

You must appoint a Designated Manager with primary responsibility for the management of your Business. Your Designated Manager must: (a) be approved by us; (b) successfully complete all training programs we require; (c) dedicate full-time best efforts to the Business; (d) be present at your EHC Office during normal business hours and available by phone at the times required by the Manual; and (e) sign a Confidentiality Agreement.

Either the Responsible Owner or Designated Manager must live in the Territory and within a 1-hour drive from the EHC Office. The Responsible Owner may, but need not, serve as the Designated Manager. If the Responsible Owner does not serve as the Designated Manager, the Responsible Owner must supervise the Designated Manager to ensure the Business is operated in compliance with the Franchise Agreement and Manual. We do not require that your Designated Manager own an equity interest in the franchise.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services you sell. You must offer all goods and services we require, subject to applicable law (including any applicable licensure requirements). You may not sell any goods or services we disapprove. At any time, we may change the goods and services you sell and you must comply with the change. We may require you to participate in a gift card and loyalty programs in accordance with our policies and procedures. If we negotiate a contract with a Strategic Relationship Partner, you must provide EHC Services to the Strategic Relationship Clients in accordance with the terms we negotiate. You are prohibited from participating in Medicare, Medicaid or similar governmental payor programs.

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
a. Length of franchise term	1 (definition of Term) & 4.1	Term is equal to 10 years.
b. Renewal or extension of the term	4.1 & 4.2	You do not have the contractual right to renew (subject to state law). If we offer you the right to renew, the renewal term will be 10 years.
c. Requirements for you to renew or extend	4.1 & 4.2	If we decide to offer you the right to renew (or if mandated by state law), then in order to renew you must: not be in default; give us timely notice; sign then-current form of franchise agreement; sign general release (subject to state law); update furniture, fixtures and equipment to current standards; pay renewal fee; and extend lease term. If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract.
d. Termination by you	21.1	You can terminate if we default and fail to timely cure.
e. Termination by us without cause	21.3	We can terminate without cause if you provide your written consent.
f. Termination by us with cause	21.2	We can terminate if you default.
g. "Cause" defined - curable defaults	21.2	You have the following cure periods: (a) 24 hours for health or safety hazards; (b) 10 days for financial defaults; (c) 20 days for loss of a required license or permit; and (d) 30 days for any other default (other than a default described below under "non-curable defaults").
h. "Cause" defined - non-curable defaults	21.2	The following defaults cannot be cured: insolvency, bankruptcy or asset seizure; failure to successfully complete training; failure to find approved site or open in timely manner; abandonment; certain criminal convictions or administrative enforcement actions; violation of material law; acts that may adversely affect reputation of System or Marks; knowingly maintaining false books or records; material misrepresentation or false report; 2nd underreporting of Net Billings by 2% or more; unauthorized Transfers; failing to offer required EHC Services or offering unauthorized services; unauthorized use of intellectual property; failure to notify us of matter listed in §16.6; breach of minimum sales criteria (for 5 months in 24-month period), brand protection covenant, legal compliance representation or Owner Agreement; 2 or more default notices in 12-month period; or termination of any other agreement between you (or your affiliate) and us (or our affiliate) due to your default.
i. Your obligations on termination/ non-renewal	22.1	Obligations include: remove trade dress and alter premises to eliminate resemblance to an EHC Office; cease use of intellectual property; cancel fictitious names; return Manual and branded materials; assign telephone numbers, listings and domain names; assign client/referral source data and contracts; help transition clients to EHC Business we designate; comply with data retention policies; and provide final accounting and pay amounts due (also see "r", below).
j. Assignment of contract by us	20.1	No restriction on our right to assign.

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
k. "Transfer" by you – definition	1 (definition of Transfer) & 20.2	Includes ownership change or transfer of contract or assets.
l. Our approval of transfer by you	1 (definition of Permitted Transfer), 20.2 & 20.3	You may engage in Permitted Transfers (defined in Note 2 in Item 6) without approval. We must approve other Transfers but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	20.2 & 20.3	*[Permitted Transfers]* You must: be compliant with Franchise Agreement; provide corporate documents (if assignee is an entity); and sign general release (subject to state law). *[Other Transfers]* Transferee must: submit Franchise Application; meet our qualifications; successfully complete training (or arrange to do so); obtain required licenses and permits; assume your obligations under Business contracts; sign then-current form of franchise agreement for remaining term or, at our option, assume your Franchise Agreement; and upgrade furniture, fixtures and equipment to current standards within 1 year of Transfer or such shorter period of time we specify. You must: be compliant with Franchise Agreement; send us notice describing Transfer; assign lease; pay transfer fee (subject to state law); subordinate transferee's ongoing payments to you (if any) to transferee's payments owed to us; and sign general release (subject to state law). We must notify you that we will not exercise our right of first refusal.
n. Our right of first refusal to acquire your business	20.5	We can match any offer for your business.
o. Our option to purchase your business	22.2	When your franchise terminates or expires we have an option to purchase (a) your inventory, equipment and supplies at lesser of fair market value or depreciated value and (b) your other tangible personal property at depreciated value calculated on straight-line method over 5 years less any liens or encumbrances.
p. Your death or disability	20.4	Within 180 days, interest must be assigned by estate to an assignee in compliance with conditions for other Transfers. We may designate a manager to operate the Business prior to Transfer.
q. Non-competition covenants during the term of the franchise	15.3	You may not: have any involvement with a competing business (subject to state law); divert business from us or other EHC Businesses; or induce clients to cease working with any EHC Business.
r. Non-competition covenants after the franchise is terminated or expires	15.3 & 22.1	For 2 years you may not: be involved with a competing business that operates in your Territory or a territory assigned to another EHC Business (subject to state law); divert business from us or other EHC Businesses; or induce clients to cease working with any EHC Business. You must cease communicating with clients except as needed to comply with your post-term obligations.
s. Modification of the agreement	25.3 & 25.8	We may unilaterally change the Franchise Agreement (to reduce scope of restrictive covenants or conform to state law) and Manual. Other changes require a written agreement signed by both parties.

THE FRANCHISE RELATIONSHIP		
PROVISION	SECTIONS IN AGREEMENT	SUMMARY
t. Integration/ merger clause	25.8	Only terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or related agreements is intended to disclaim any representations we made in this Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the beginning of the franchise relationship has the effect of (a) waiving any claim under applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by us or any franchise seller or other person acting on our behalf. This provision supersedes any other term of any document signed in connection with the franchise.
u. Dispute resolution by arbitration or mediation	23	Subject to state law, all disputes must be mediated before litigation, except for certain disputes involving our intellectual property or compliance with restrictive covenants or post-term obligations.
v. Choice of forum	23	Subject to state law, mediation and litigation must take place in county where we maintain our principal place of business at time dispute arises (currently Maricopa County, Arizona).
w. Choice of law	25.1	Subject to state law, Arizona law governs.

ITEM 18 PUBLIC FIGURES

We do not use any public figures 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.

Defined Terms

For purposes of this FPR, the following terms have the meanings given to them below.

"***Combined Territory***" refers to multiple territories owned by a single franchisee with respect to which the Net Billings and expense data are aggregated on a combined basis and cannot separately be tracked or allocated to a specific territory. Each territory has a separate franchise agreement.

"***Company-Owned Outlet***" means any EHC Business owned by: (a) us; (b) our affiliate; or (c) a person listed in Item 2 of this Disclosure Document if that person also manages the EHC Business.

"***Converted Territory***" means a territory owned by a Company-Owned Outlet that was sold to a Franchised Outlet, or a territory owned by a Franchised Outlet that was acquired by a Company-Owned Outlet, during the Measuring Period.

"***FPR***" means the financial performance representation set forth in Item 19 of this Disclosure Document.

"***Franchised Outlet***" means any EHC Business owned by a franchisee.

"***Gross Margin***" means the financial performance metric calculated as Gross Profit divided by Net Billings.

"***Measuring Period***" means the period of time beginning January 1, 2025 and ending December 31, 2025.

"***Net Billings***" has the meaning given to the term in Note 2 of Item 6.

"***Payroll Expenses***" means and includes the salaries and wages reportedly paid to the Franchised Outlet's caregiver employees during the Measuring Period.

"***Qualifying Outlet***" means a Franchised Outlet that operated at least 1 Qualifying Territory during the entire Measuring Period.

"***Qualifying Territory***" means any territory that satisfies the following criteria: (a) the territory was fully operational for the entire Measuring Period (except as otherwise provided for a Combined Territory); (b) the franchisee that owned the territory provided us with all data we requested in order to prepare this FPR; and (c) the territory was not a Converted Territory. With respect to a Combined Territory, each territory that comprises the Combined Territory that was open and operational at any point during the Measuring Period is a Qualifying Territory, including: (a) any territory that was operational for part of (but not the entire) Measuring Period; and (b) any territory that was a Converted Territory.

System Statistics

Because there were no Company-Owned Outlets in operation throughout the entire Measuring Period, this FPR is limited to data from Franchised Outlets. As of December 31, 2025 (the last day of the Measuring Period) there were: (a) 43 Franchised Outlets in operation, 13 of which are Qualifying Outlets; and (b) 79 territories in operation, 21 of which are Qualifying Territories. Of the 13 Qualifying Outlets included in this FPR, 4 Qualifying Outlets operated 2 Qualifying Territories each and 2 Qualifying Outlets operated 3 Qualifying Territories each during the Measuring Period. The remaining 7 Qualifying Outlets operated 1 Qualifying Territory each during the Measuring Period. The table below summarizes the Qualifying Outlets and Qualifying Territories whose data has been provided in this FPR:

Qualifying Outlets	2025 Outlet Statistics				Converted Territories	Qualifying Territories
	Open Jan 1, 2025	*Opened*	*Closed*	*Open Dec 31, 2025*		
Franchised	13	35	2	43	0	21
Company-Owned	0	0	0	0	0	0

There are no material differences between the operations of the Qualifying Outlets (or the Qualifying Territories they operate) and the franchised business (and franchised territory) offered under this Disclosure Document.

Subsets Utilized

Franchisees that own and operate a Combined Territory (each of which is comprised of 2 or more individual territories) are unable to separately track Net Billings and expenses on a "per-territory" basis due to the configuration of their point-of-sale system. In most cases, a Combined Territory involves multiple contiguous territories owned by the same franchisee entity that may be serviced by the same caregivers (i.e., a caregiver may provide services in multiple territories). Since data for the various territories included as part of a Combined Territory cannot be separately tracked, we created subsets for Combined Territories based on the number of Qualifying Territories included within the Combined Territory.

Combined Territory Subsets			
Subset	**Number of Qualifying Territories Included in Combined Territory**	**Number of Qualifying Outlets in Subset**	**Total Number of Qualifying Territories in Subset**
1	3 Qualifying Territories	2	6
2	2 Qualifying Territories	4	8
Total	2 or 3 Qualifying Territories	6	14

* For franchisees that operate a Combined Territory, the number of Qualifying Territories is determined as the total number of territories comprising the Combined Territory that were open and operational at any point during the Measuring Period, including territories that were: (a) acquired after the commencement of the Measuring Period; and/or (b) closed prior to the expiration of the Measuring Period.

In some cases, a franchisee that owns and operates multiple territories has the ability to separately track Net Billings and expenses on a "per-territory" basis. Under those circumstances, the territories are not considered a

Combined Territory and data for each territory is separately provided on a "per-territory" basis.

Financial Performance Representation

The following tables present the historical financial results achieved by the Qualifying Outlets during the Measuring Period.

The following table presents historical Net Billings, Payroll Expenses and Gross Margin achieved during the Measuring Period by 13 Qualifying Outlets for all Qualifying Territories. For each financial performance metric, the data includes highest, lowest, median, average and the number and percentage of Qualifying Outlets that attained or surpassed the stated average. The financial data presented below Net Billings (i.e., Payroll Expenses and Gross Margin) is not necessarily linked to the same Qualifying Outlet that generated the stated Net Billings. For example, a territory that generated the highest Net Billings may not be the territory that generated the highest Gross Margin. For Payroll Expenses, the number and percentage of Qualifying Outlets that attained or surpassed the stated average means that they had higher (not lower) Payroll Expenses than the stated average.

2025 NET BILLINGS AND GROSS MARGIN BY SUBSET						
Subset	**Criteria**	**High**	**Low**	**Median**	**Average**	**Number & Percent that Achieved/Surpassed Average**
Combined: 3 Territory 2 Outlets 6 Territories	Net Billings	$1,879,013	$801,388	$1,340,200	$1,340,200	1 (50%)
	Payroll Expenses	$1,044,131	$483,220	$763,675	$763,675	1 (50%)
	Gross Margin	44.43%	39.70%	42.07%	42.07%	1 (50%)
Combined: 2 Territory 4 Outlets 8 Territories	Net Billings	$1,955,900	$659,293	$1,216,636	$1,262,116	1 (25%)
	Payroll Expenses	$1,195,927	$396,293	$603,452	$699,781	1 (25%)
	Gross Margin	53.20%	38.86%	42.88%	44.45%	2 (50%)
Non-Combined 7 Outlets 7 Territories	Net Billings	$4,201,278	$135,660	$317,679	$1,481,708	3 (43%)
	Payroll Expenses	$2,611,604	$84,816	$185,875	$904,989	3 (43%)
	Gross Margin	47.41%	24.43%	38.74%	38.32%	4 (57%)
All 13 Outlets 21 Territories	Net Billings	$4,201,278	$135,660	$929,167	$1,392,371	2 (15%)
	Payroll Expenses	$2,611,604	$84,816	$502,960	$820,107	5 (38%)
	Gross Margin	53.20%	24.43%	39.89%	40.78%	6 (46%)

The following table provides the same historical data as the table above for all 13 Qualifying Outlets, presented by performance ranking: Top 3 Net Billings, Top 5 Net Billings, Bottom 5 Net Billings and Bottom 3 Net Billings. The data from all Qualifying Outlets, regardless of the number of territories operated by the franchisees, are combined in the table below.

2025 NET BILLINGS AND GROSS MARGIN BY PERFORMANCE RANK						
Subset	**Criteria**	**High**	**Low**	**Median**	**Average**	**Number & Percent that Achieved/Surpassed Average**
Top 3 Qualifying Outlets	Net Billings	$4,201,278	$1,955,900	$3,602,353	$3,253,177	2 (66.6%)
	Payroll Expenses	$2,611,604	$1,195,927	$2,129,975	$1,979,169	2 (66.6%)
	Gross Margin	40.87%	37.84%	38.86%	39.16%	1 (33.3%)

2025 NET BILLINGS AND GROSS MARGIN BY PERFORMANCE RANK						
Subset	**Criteria**	**High**	**Low**	**Median**	**Average**	**Number & Percent that Achieved/Surpassed Average**
Top 5 Qualifying Outlets	Net Billings	$4,201,278	$1,795,559	$1,955,900	$2,686,820	2 (40%)
	Payroll Expenses	$2,611,604	$1,044,131	$1,195,927	$1,620,977	2 (40%)
	Gross Margin	44.43%	37.44%	38.86%	39.67%	2 (40%)
Bottom 5 Qualifying Outlets	Net Billings	$659,293	$135,660	$161,269	$286,412	2 (40%)
	Payroll Expenses	$396,293	$84,816	$102,519	$173,277	2 (40%)
	Gross Margin	47.41%	24.43%	39.89%	38.39%	2 (40%)
Bottom 3 Qualifying Outlets	Net Billings	$317,679	$158,159	$161,269	$212,369	2 (66%)
	Payroll Expenses	$185,875	$84,816	$96,883	$122,525	2 (66%)
	Gross Margin	47.41%	38.74%	41.49%	42.55%	2 (66%)

Notes:

1. Source of Data: We prepared this FPR based on data reported to us by each of the Qualifying Outlets. The data has not been audited.
2. Payroll Expenses: Payroll Expenses may be affected by, among other things: your local labor market; the types of services you offer; applicable federal and state laws relating to employment; number of employees and independent contractors; employee/independent contractor turnover; training; your compensation in labor; salary and benefits offered to employees; and scheduling.
3. Other Expenses: This FPR does not account for any expenses other than Payroll Expenses. As a franchisee, you will incur expenses such as bank charges, advertising costs, accounting and management costs, licenses and permits, printing and supplies, training expense, telephone expense, insurance, maintenance and utilities, debt service, taxes, and royalties and other amounts due to us under the Franchise Agreement. You must account for all expenses in order to determine net income or net profit.

You should conduct an independent investigation of the costs you will incur to operate your Business. Franchisees or former franchisees listed in the Disclosure Document may be one source of this information.

Some EHC Businesses have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for this financial performance representation will be made available to you upon your reasonable written request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our Chief Financial Officer, Gregory Esgar, at Executive Home Care Franchising, LLC 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251, (855) 393-2372, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025				
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	2023	18	18	0
	2024	18	21	+3
	2025	21	79	+58
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	18	18	0
	2024	18	21	+3
	2025	21	79	+58

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2023 TO 2025		
State	**Year**	**Number of Transfers**
New Jersey	2023	0
	2024	0
	2025	7
Total	2023	0
	2024	0
	2025	7

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Arkansas	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
California	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	17	0	0	0	0	17
Colorado	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	1	0	0	0	0
Connecticut	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	4	0	0	0	0	0	4
	2024	4	2	0	0	0	0	6
	2025	6	1	0	0	0	0	7

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Georgia	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
Maryland	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Massachusetts	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Mississippi	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Missouri	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Nebraska	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
New Jersey	2023	8	2	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	2	1	0	0	0	11
New York	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
North Carolina	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	5	0	0	0	0	5
Ohio	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Pennsylvania	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	4	0	0	0	0	4
Texas	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	12	0	0	0	0	13
Utah	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	3	0	0	0	0	3

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Virginia	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	7	0	0	0	0	9
Totals	2023	18	2	2	0	0	0	18
	2024	18	4	1	0	0	0	21
	2025	21	60	2	0	0	0	79

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023 TO 2025							
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Totals	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2025			
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	1	1	0
Colorado	1	1	0
Delaware	1	1	0
Florida	2	2	0
Georgia	1	5	0
Illinois	1	3	0
Massachusetts	1	2	0
Pennsylvania	2	1	0
Texas	2	4	0
Washington	1	1	0
Totals	13	39	0

A list of all current franchisees is attached to this Disclosure Document as EXHIBIT "F" (Part A), including their names and the addresses and telephone numbers of their outlets as of December 31, 2025. In addition, EXHIBIT "F" (Part B) lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

In the last 3 fiscal years, some franchisees have signed confidentiality agreements with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

There are no: (a) trademark-specific franchisee organizations associated with the franchise system being offered that we have created, sponsored or endorsed; or (b) independent franchisee organizations that have asked to be included in this Disclosure Document.

ITEM 21 FINANCIAL STATEMENTS

Our fiscal year ends on December 31st. Attached to this Disclosure Document as EXHIBIT "G"-1 are audited financial statements of EHC Holding Company, LLC, our parent, for the fiscal years ended December 31, 2025, December 31, 2024 and December 31, 2023. Our parent, EHC Holding Company, LLC, guaranteed our performance with you. Attached to this Disclosure Document as EXHIBIT "G"-2 is a copy of the guarantee of performance signed by our parent.

ITEM 22 CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

Exhibits to Disclosure Document

EXHIBIT "C"	Franchise Agreement
EXHIBIT "D"-1	State Addenda
EXHIBIT "D"-2	Franchisee Disclosure Questionnaire **(Questionnaire may not be signed or used if the franchisee resides within, or the franchised business will be located within, a franchise registration state)**
EXHIBIT "D"-3	General Release

Attachments to Franchise Agreement

ATTACHMENT "B"	Form of Site Approval Notice
ATTACHMENT "C"	Lease Addendum
ATTACHMENT "D"	Owner Agreement
ATTACHMENT "E"	ACH Authorization Form
ATTACHMENT "F"	Tradename Approval Notice

ITEM 23 RECEIPT

EXHIBIT "I" to this Disclosure Document are detachable receipts. You are to sign both, keep one copy and return the other copy to us.

EXHIBIT "A"

TO DISCLOSURE DOCUMENT

<u>LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS</u>

<u>CALIFORNIA</u>
Commissioner of Financial Protection & Innovation
Department of Financial Protection & Innovation
320 West 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677
www.dfpi.ca.gov
Ask.DFPI@dfpi.ca.gov

<u>HAWAII</u>
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

<u>Agents for Service of Process</u>:
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

<u>ILLINOIS</u>
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

<u>INDIANA</u>
Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

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

<u>Agent for Service of Process</u>:
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

<u>MICHIGAN</u>
Franchise Section
Consumer Protection Division
525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor
Lansing, MI 48913
(517) 335-7567

<u>MINNESOTA</u>
Commissioner of Commerce
Director of Registration
85 Seventh Place East, #280
St. Paul, Minnesota 55101-3165
(651) 539-1500

<u>NEW YORK</u>
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
Phone: (212) 416-8222

<u>Agents for Service of Process:</u>
Secretary of State
99 Washington Avenue
Albany, NY 12231

<u>NORTH DAKOTA</u>
North Dakota Securities Department
State Capitol, 5th Floor, Dept 414 600 East Boulevard Avenue
Bismarck, North Dakota 58505
(701) 328-4712

<u>RHODE ISLAND</u>
Department of Franchise Regulation
1511 Pontiac Avenue, John O. Pastore Complex, Bldg 69-1
Cranston, Rhode Island 02920
(401) 462-9527

<u>SOUTH DAKOTA</u>
Department of Labor and Regulation
Division of Insurance Securities Regulation
124 S Euclid, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

<u>VIRGINIA</u>
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

<u>Agents for Service of Process</u>:
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

<u>WASHINGTON</u>
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

<u>Mailing Address</u>:
Department of Financial Institutions
Securities Division
PO BOX 41200
Olympia, WA 98504-1200

<u>WISCONSIN</u>
Department of Financial Institutions
Division of Securities
201 W Washington Avenue, Suite 500, Madison, WI 53703
(608) 261-9555

EXHIBIT "B"

TO DISCLOSURE DOCUMENT

FRANCHISOR'S AGENT FOR SERVICE OF PROCESS

C T CORPORATION SYSTEM
820 Bear Tavern Road
West Trenton, New Jersey 08628

In states listed in EXHIBIT "A", the additional agent for Service of Process is listed in EXHIBIT "A".

EXHIBIT "C"

TO DISCLOSURE DOCUMENT

<u>FRANCHISE AGREEMENT</u>

[See Attached]

FRANCHISE AGREEMENT

FRANCHISEE: ______________________________
DATE: ______________________________

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EXECUTIVE HOME CARE FRANCHISE AGREEMENT

This Executive Home Care Franchise Agreement (this "Agreement") is entered into as of ____________, 202__ (the "Effective Date") between Executive Home Care Franchising, LLC, a New Jersey limited liability company ("we" or "us") and ___________________, a(n) ________________ ("you").

1. DEFINITIONS. Capitalized terms not defined above have the meanings given to them below:

"*Account*" means the checking account you designate from which we deduct fees and other amounts owed to us and our affiliates in accordance with §14.5.

"*ACH Agreement*" means the ACH Authorization Agreement attached as ATTACHMENT "E".

"*Acquisition*" means either: (a) a competitive or non-competitive company, franchise system, network or chain directly or indirectly acquiring us, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise; or (b) us, or our affiliate or parent, directly or indirectly acquiring another competitive or non-competitive company, franchise system, network or chain, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise.

"*Acquired Assets*" means any assets associated with your EHC Business that we elect to purchase upon termination or expiration of this Agreement, as further described in §22.2(a).

"*AI Technology*" means an engineered or machine-based system designed to simulate human intelligence that exhibits adaptiveness after deployment and/or generates outputs (e.g., predictions, recommendations or decisions) for a given set of inputs/objectives, including systems employing computation techniques to simulate intelligent behavior or automate complex tasks (e.g., machine learning, deep learning, natural language processing, computer vision, neural networks, generative artificial intelligence, predictive analytics, intelligent automation tools and algorithmic processing systems).

"*Alternative Channels of Distribution*" means any channel of distribution other than the sale or rendering of EHC Services from an EHC Office or within a client's home or other living facility. Examples include the sale of EHC Services (or any other goods or services): (a) through direct marketing, such as the Internet or telemarketing; (b) through retail stores that do not operate under the Marks; or (c) at wholesale.

"*Anti-Terrorism Law*" means Executive Order 13224 issued by the U.S. President (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future Laws addressing or in any way relating to terrorist acts and acts of war.

"*Appraised Value*" means the value of Acquired Assets determined in accordance with §22.2(b).

"*Business*" means the franchised business you operate pursuant to this Agreement.

"*Business Data*" means, collectively or individually, Client Data and Operational Data.

"*Caregiver*" means any Person who provides EHC Services: (a) to clients in their homes or other living facilities; or (b) within the facility of an institutional client (e.g., hospital, nursing home, etc.) on a temporary contract basis in connection with Staffing Services offered by an EHC Business.

"*Claim*" means any action, allegation, assessment, claim, demand, litigation, proceeding or regulatory procedure, investigation or inquiry.

"*Client Data*" means and includes all data and information pertaining to: (a) individual clients including name, address, contact information, date of birth, health information, purchase/service history and other information collected for any purpose; and (b) institutional clients who contract for Staffing Services.

"*Competing Business*" means any business that meets at least one of the following criteria: (a) any business that generates, or is reasonably likely to generate, at least 20% of its total revenue from the sale of in-home care services and/or supplemental staffing services that are the same as or similar to EHC Services offered by EHC Businesses; (b) any business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) any business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include any EHC Business operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

"*Confidential Information*" means and includes: (a) Know-How; (b) Business Data; (c) information in the Manual or comprising the System; (d) terms of Definitive Agreements and any amendments thereto; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, client information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you or your Owners, employees or other constituents); (b) you can demonstrate was rightfully possessed by you or an Owner, without obligation of nondisclosure, before we disclosed the information to you or the Owner; (c) is independently developed by you or an Owner without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you or an Owner without breaching a confidentiality covenant imposed on such third party.

"*Confidentiality Agreement*" means our current form of Confidentiality Agreement attached to the Manual.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of an EHC Business.

"*Definitive Agreements*" means, collectively: (a) this Agreement; (b) other Franchise Agreements between you (or your affiliate) and us (or our affiliate) for an EHC Business or any other franchised concept; and (c) all ancillary agreements related to any of the foregoing, including Owner Agreements.

"*Designated Manager*" means the Person you designate and we approve with primary responsibility for the full-time management and supervision of your EHC Business in accordance with §8.2.

"*Dispute*" means any Claim or dispute between the parties that involves or relates to a Definitive Agreement, the offer or sale of franchise rights or the relationship between the parties.

"*EHC Business*" means any EXECUTIVE HOME CARE® business we authorize to operate under the Marks and use our System.

"*EHC Office*" means the authorized office or facility from which an EHC Business operates.

"*EHC Services*" means and includes all services we require or authorize EHC Businesses to offer and sell, including: (a) in-home personal care services such as: light housekeeping; companionship; assistance with bathing, grooming, dressing and personal hygiene; planning and cooking meals; medication reminders; and incontinence care; (b) non-medical transport services to and from doctor appointments, physical therapy sessions and other appointments; (c) wellness enhancement services such as fall risk and home safety audits; and (d) Staffing Services. We may change the services that comprise EHC Services at any time in our commercially reasonable discretion, including by removing or modifying existing services or adding new services. We may also designate certain EHC Services that: (a) are optional; (b) can only be offered by EHC Businesses meeting certain experience, training, licensure or other criteria; and/or (c) can only be offered in certain regions or to certain types of clients.

"*Entity*" means a corporation, partnership, limited liability company or other form of association.

"*Equity Interest*" means a direct or indirect ownership or other beneficial interest in a business or Entity.

"*Excluded Claim*" means any Claim that, according to §23, is not subject to mandatory mediation.

"*Force Majeure*" means acts or circumstances beyond a party's control, including fire, storm, flood, earthquake, explosion or accident, acts of war or terrorism, rebellion, insurrection, sabotage, epidemic, failures or delays of transportation and strikes, provided that: (a) the non-performing party promptly notifies the other party of the Force Majeure event; (b) the non-performing party is without fault and could not have prevented the delay or failure with reasonable precautions; (c) nothing herein excuses or permits delays or failures to pay fees or other amounts owed on the applicable due date; (d) insolvency, lack of required funds or financing, currency fluctuations, currency devaluations, foreign exchange controls or inflation shall never be deemed Force Majeure; and (e) an epidemic or pandemic of a contagious illness or disease, or economic or financial changes caused by an epidemic or pandemic of a contagious illness or disease, shall never be deemed Force Majeure except to the extent a Governmental Authority mandates closure (or prevents the opening) of the EHC Business as a result of such epidemic or pandemic.

"*Franchisee Entity*" means an Entity that: (a) signs this Agreement as the franchisee (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

"*General Release*" means our then-current form of Waiver and Release of Claims you and your Owners must sign pursuant to §4.2 (to renew), §7.5 (to relocate) or §20.2 (to Transfer).

"*Governmental Authority*" means any national, provincial, state, county, local, municipal or other government, or any ministry, department, agency or subdivision thereof, whether administrative or regulatory, or any other body that exercises similar functions, including courts and taxing authorities.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at an EHC Business, (b) method of operation of an EHC Business, (c) processes, systems or procedures utilized by an EHC Business, (d) marketing, advertising or promotional materials, programs or strategies utilized by an EHC Business or (e) trademarks, service marks, logos or other intellectual property utilized by an EHC Business, whether developed by you, an Owner, an employee or any other Person.

"*Indemnified Parties*" means and includes us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parents, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Interim Manager*" means a Person we designate to temporarily manage your Business pursuant to §8.5.

"*Interim Term*" means a month-to-month Term extension under the circumstances described in §4.3.

"*IP Dispute*" means any: (a) actual or suspected infringement of the Intellectual Property; (b) challenge to your use of the Intellectual Property; or (c) claim by any Person, other than us or our affiliate, of any rights in or to the Intellectual Property.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design or development of an EHC Office or the marketing or operation of an EHC Business including: specifications for a prototype EHC Office; site selection criteria; methods and techniques; standards and specifications; policies and procedures; supplier lists and information; client lists and information; marketing strategies; merchandising strategies; information regarding Strategic Relationships; and information comprising the System or included in the Manual.

"*Law*" means and includes laws, rules, regulations and ordinances as well as judgments, decrees, orders, advisory opinions, directives, interpretive statements and releases issued by Governmental Authorities.

"*Licenses*" means and includes any and all licenses, permits, certifications, certificates of need, accreditations and other authorizations or approvals that (a) are issued by a Governmental Authority or national accreditation organization and (b) are required Law (or are required by us) for the operation of an EHC Business, including home health agency (or similar) and employment agency (or similar) licenses.

"*Local Marketing Commitment*" means the minimum amount of money you must spend each month on local advertising and marketing to promote your Business and solicit clients in accordance with §10.3(a).

"*Losses*" means and includes: costs, expenses, liabilities and financial loss; actual, compensatory, exemplary, punitive and other damages (including damage to reputation or goodwill); fines and penalties; settlement amounts; judgments; attorneys' fees; experts' fees; court costs; Travel Expenses and other costs associated with investigating or defending a Claim.

"*Management Training*" means our then-current franchise operations and management training program.

"*Manual*" means our Operations Manual described in §11.1 for the operation of an EHC Business.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize EHC Businesses to use, including EXECUTIVE CARE®, EXECUTIVE HOME CARE® and the associated logos. The Marks also include any distinctive trade dress used to identify an EHC Office.

"Minimum Sales Criteria" means the minimum sales criteria described in §12.

"*Net Billings*" means the total gross sums that: (a) you bill or invoice for all goods and services sold from or in connection with your EHC Business (including amounts you bill but are unable to collect); (b) we or our affiliate pay you in accordance with §6.4 for EHC Services rendered by you to a Strategic Relationship Client; or (c) otherwise relate to your EHC Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Net Billings includes all forms of consideration including cash, credit, barter, digital currency or otherwise. Net Billings excludes: (a) sales or use taxes you pay to a Governmental Authority; (b) revenue derived from the sale of furniture, fixtures or equipment in the ordinary course; and (c) Reimbursed Expenses. The Manual may include policies governing the calculation of Net Billings relating to proceeds from the sale of gift cards.

"*Operational Data*" means and includes all data and information pertaining to the operation of your Business including employee data, expense data, financial accounting data and Net Billings data.

"*Owner*" means a Person who either: (a) directly signs this Agreement as the franchisee, either alone or in conjunction with one or more other Persons; or (b) directly or indirectly through one or more intermediaries owns an Equity Interest in the Business or Franchisee Entity.

"*Owner Agreement*" means the Owner Agreement attached as ATTACHMENT "D".

"*PCI-DSS*" means the payment card industry data security standard, which is a set of security requirements established by the following major credit card brands from time to time: American Express, Discover Financial Services, JCB International, MasterCard Worldwide, and Visa Inc., which standards are set forth at https://www.pcisecuritystandards.org as of the Effective Date.

"*Permitted Transfer*" means a Transfer: (a) between existing Owners; or (b) by the Owners to a new Franchisee Entity for which such Owners collectively own and control 100% of the Equity Interests; *provided, however*, that a Permitted Transfer does not include a Transfer that results in the Responsible Owner owning less than 20% of the Equity Interests in the Business or Franchisee Entity.

"*Person*" means an individual, Entity, unincorporated organization, joint venture, Governmental Authority, estate (or executor thereof) or trust (or trustee thereof).

"*Post-Term Restricted Period*" means, with respect to you, the two-year period after the termination, expiration or Transfer of this Agreement; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the termination, expiration or Transfer of this Agreement.

"*Post-Term Restricted Period*" means, with respect to an Owner, the two-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity.

"*Program Participation Rules*" means the policies, procedures, fees and other requirements pertaining to any gift card, loyalty or other system-wide program we implement pursuant to §11.9.

"*Prohibited Activities*" means and includes any of the following: (a) owning, operating or having any other interest (e.g., as a director, officer, employee, manager, consultant, creditor, representative, agent or in any similar capacity) in a Competing Business, other than owning less than 5% of the Equity Interests in a

Competing Business that is a publicly-traded company; (b) disparaging or otherwise making negative comments about us, our affiliate, the System or any EHC Business (this provision does not prohibit disclosure of truthful information to Governmental Authorities); (c) diverting or attempting to divert any potential business or Strategic Relationship opportunity from us or our affiliate; and/or (d) inducing any Person to transfer their business from an EHC Business to a competitor.

"*Referral Source*" means a Person who refers, or is in a position to refer, clients to an EHC Business.

"*Regional Referral Source*" means a Referral Source who regularly refers, or who we believe is in a position to regularly refer, clients to EHC Businesses located in multiple markets or regions. A Referral Source is not deemed a Regional Referral Source unless we designate such Person as a Regional Referral Source in the Manual.

"*Reimbursed Expense*" means client reimbursements for out-of-pocket expenses you or a Caregiver incur to purchase products or services from unaffiliated third parties on behalf of the client, subject to any restrictions in the Manual specifying amounts that do not qualify as a Reimbursed Expense.

"*Reportable Event*" means any event or occurrence described in §16.6 that you must report to us.

"*Responsible Owner*" means the Owner you designate and we approve with primary responsibility for the overall management and supervision of your EHC Business in accordance with §8.1.

"*Restricted Territory*" means the geographic area within: (a) your Territory (including the premises of your EHC Office); and (b) any territory assigned to another EHC Business that is open or under development when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable then Restricted Territory means the geographic area within your Territory.

"*Site Approval Notice*" means the Site Approval Notice attached as ATTACHMENT "B".

"*Staffing Services*" means supplemental staffing services offered by EHC Businesses to institutional clients (e.g., hospital, nursing home, assisted living center, etc.) that consist of the EHC Business providing one or more of its Caregivers to the institutional client, on a temporary contract basis, for purposes of rendering EHC Services at the institutional client's facility.

"*Strategic Relationship*" means a strategic business relationship that we may, from time to time, establish with a Strategic Relationship Partner in order to enhance our System or expand the potential client base for EHC Businesses, as further described in §6.4.

"*Strategic Relationship Client*" means a Person who: (a) is a member, employee, client or other constituent of, or who is referred by, a Strategic Relationship Partner; and (b) receives EHC Services from an EHC Business in accordance with the terms of a Strategic Relationship Contract.

"*Strategic Relationship Contract*" means a contract or other arrangement we (or our affiliate) negotiate with a Strategic Relationship Partner governing the terms pursuant to which one or more EHC Businesses will provide EHC Services to Strategic Relationship Clients associated with or referred by the Strategic Relationship Partner. Strategic Relationship Contracts may include any terms we accept in our commercially reasonable discretion, including discounted pricing and other nonstandard terms.

"*Strategic Relationship Partner*" means a business, organization, association, Regional Referral Source or other institution that is comprised by (or has a relationship with) members, employees, clients or other constituents who: (a) may be in need of EHC Services or may be in a position to refer clients in need of EHC Services; and (b) are located or reside within the territories of multiple EHC Businesses. Examples include hospitals, nursing homes, assisted living centers and associations for seniors (e.g., AARP).

"*Successor Agreement*" means our then-current form of Franchise Agreement you must sign pursuant to §4.2 in connection with a renewal of your franchise rights.

"*System*" means our system developed for the operation of an EHC Business, the distinctive characteristics of which include: business methods; administrative procedures; client assessment/intake protocols and procedures; distinctive signs, trade dress and uniforms; technical knowledge; development and implementation of Strategic Relationships; comprehensive training programs; advertising and marketing strategies; business forms; and operating system.

"*Technology Systems*" means all information and communication technology systems we specify from time to time including computer and point-of-sale systems, client billing systems, payroll processing systems, telecommunications systems, AI Technology, security systems and similar systems, together with the associated hardware, software and related equipment, applications and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

"*Term*" means the period of time beginning on the Effective Date and expiring on the earlier to occur of: (a) the 10th anniversary of the Effective Date; or (b) the date this Agreement is effectively terminated.

"*Territory*" means the protected territory we designate for your EHC Business as further described in §3.

"*Third-Party Technology*" means any Technology Systems (or components thereof) owned by Persons who are not affiliated with us.

"*Tradename Approval Notice*" means the Tradename Approval Notice attached as ATTACHMENT "F".

"*Transfer*" means any direct or indirect, voluntary or involuntary, assignment, sale, sublicense or other transfer or disposition of: (a) this Agreement (or any interest therein); (b) the franchise or intellectual property rights granted by this Agreement (or any interest therein); (c) the Business you conduct pursuant to this Agreement (or any interest therein); (d) your Business assets, excluding the sale of furniture, fixtures or equipment in the ordinary course; or (e) an Equity Interest in the Business or Franchisee Entity; including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner's death (including via the Laws of intestate succession).

"*Travel Expenses*" means and includes all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your EHC Office or Territory; or (b) by you and your personnel to attend training or conferences.

"*Vacant Territory*" means any geographic area adjacent to your Territory that, as of the relevant date, is neither assigned to nor serviced by any other franchised or company-owned EHC Business.

2. **GRANT OF FRANCHISE**. We hereby grant you the right, license and obligation to develop and operate one (1) EHC Business using our Intellectual Property. You must operate your Business: (a) only from the EHC Office we approve in accordance with §7.1; and (b) only within your assigned Territory, except to the extent permitted by §3.2 or §3.3. We reserve all rights not expressly granted to you.

3. **TERRITORY**.

3.1. Territory Description & Designation.

(a) Territory Designation. We hereby grant you a territory comprised by the geographic area described in Part D of ATTACHMENT "A" (your "Territory"). Your Territory will include a minimum population of 300,000 as of the date we designate your Territory; *provided, however*, that your Territory will have a population of less than 300,000 if you specifically request a Territory comprised by a metropolitan area with a population of less than 300,000. We may use data from any source we deem appropriate to determine the population in the Territory.

(b) Territory Changes. We do not modify your Territory based on population changes during the Term. We may modify your Territory in accordance with our then-current territory guidelines and criteria at such time that: (i) you renew your franchise rights; or (ii) we allow you to relocate your EHC Office to a new site located outside your original Territory.

(c) Territory Fee. We do not charge any additional fee for a Territory with a population equal to or less than 330,000 as of the date we designate the Territory. If we grant your request for a Territory with a population in excess of 330,000, you must pay us a territory fee that is calculated by multiplying $49,900 by a fraction (i) the numerator of which is the difference between the total population in your Territory and 300,000 and (ii) the denominator of which is 300,000. For example, a territory with a population of 380,000 requires a territory fee of $16,306.67 ($49,900 X (380,000 – 300,000) / 300,000)). Your territory fee, if applicable, is listed in Part D of ATTACHMENT "A". We do not charge additional territory fees, or refund previously paid territory fees, based on population changes during the Term.

3.2. Territorial Protections, Limitations & Restrictions.

(a) EHC Office. During the Term we will not authorize any EHC Business (other than yours) to operate from an EHC Office located in your Territory except as otherwise provided in this Section. At any time during the Term we may engage in Acquisitions and any outlet of the acquired or acquiring company located in your Territory may be converted into an EHC Business (a "Converted Outlet"). A Converted Outlet may engage in the same business activities as you within the Territory.

(b) Clients. During the Term we will not authorize another EHC Business (other than a Converted Outlet) to provide EHC Services to clients in your Territory unless any of the following circumstances apply: (i) the client requests service from another EHC Business with whom the client has a pre-existing relationship; (ii) the client was serviced by another EHC Business before you acquired rights to the Territory; (iii) the client is a Strategic Relationship Client and you are not eligible to participate in the Strategic Relationship Program for any reason set forth in §6.4; (iv) we approve a signed agreement between you and the other franchisee pursuant to which you consent to the other franchisee servicing the client; (v) you lack a material License necessary to lawfully operate your Business; or (vi) we decide to provide assistance or support to the client through another EHC Business in response to a complaint against you in accordance with §11.12. Similarly, you may service a client in a territory assigned to another EHC Business if any of the foregoing circumstances apply to you.

(c) Referral Sources. During the Term we will not authorize another EHC Business (other than a Converted Outlet) to solicit referrals from Referral Sources in your Territory unless the Referral Source is a Regional Referral Source. Similarly, you may not solicit referrals from Referral Sources (other than Regional Referral Sources) in territories assigned to other EHC Businesses.

(d) Targeted Marketing. During the Term we will not authorize another EHC Business (other than a Converted Outlet) to conduct "targeted marketing" (as described in §10.3(c)) within your Territory for purposes of soliciting clients or Referral Sources (other than Regional Referral Sources). Similarly, you may not conduct targeting marketing within territories assigned to other EHC Businesses (other than to solicit referrals from Regional Referral Sources).

(e) Alternative Channels of Distribution. We reserve the right to sell, and license third parties to sell, goods and services that are the same as or similar to EHC Services (including under the Marks) within the Territory through Alternative Channels of Distribution.

3.3. Vacant Territories. You may request the right to operate your EHC Business in a Vacant Territory. We may approve or reject your request in our sole discretion. If we grant our approval, you may operate your EHC Business in the Vacant Territory we designate, including soliciting, advertising, and providing EHC Services to clients who reside in the Vacant Territory and soliciting Referral Sources in the Vacant Territory, subject to the following:

(a) you may not operate in any Vacant Territory other than the Vacant Territory we designate;

(b) you must demonstrate, on a continuing basis, that you are reasonably capable of consistently providing EHC Services to clients in the Vacant Territory in accordance with our standards, policies and procedures;

(c) you must maintain all Licenses necessary to lawfully operate in the Vacant Territory;

(d) you will receive no territorial rights or protections with respect to the Vacant Territory; and

(e) we may at any time for any reason (or for no reason) revoke our approval for you to operate in the Vacant Territory.

If we revoke our approval, you must: (a) immediately discontinue all Business operations within the Vacant Territory (including advertising, soliciting and providing EHC Services to clients, and soliciting or accepting referrals from Referral Sources); (b) provide us with a copy of all Client Data pertaining to clients and Referral Sources in the Vacant Territory and copies of all related agreements; and (c) upon request, transition all clients and Referral Sources in the Vacant Territory to another EHC Business we designate. Notwithstanding the foregoing, we may, in our sole discretion, permit you to continue to service one or more clients in the Vacant Territory.

3.4. **Unauthorized Extraterritorial Sales**. Except as otherwise provided in §3.2 and §3.3, you are strictly prohibited from operating your Business outside your Territory. If you operate your Business outside your Territory in breach of this Agreement, you must pay us an amount calculated as 120% of the total revenue you generate as a result of such unauthorized extraterritorial business operations. Our collection of this fee does not preclude us from terminating this Agreement as a result of your breach or exercising any of our other rights or remedies.

4. TERM AND RENEWAL.

4.1. **Generally**. This Agreement grants you the right to operate your EHC Business during the Term. We do not grant you the right to renew, but may offer you renewal rights at our discretion (or if required by state Law). If we offer you renewal rights, you have the option to renew your franchise by signing a Successor Agreement for a 10-year renewal term provided that you satisfy all renewal conditions specified in this Agreement or the Successor Agreement you wish to renew, as applicable. The Successor Agreement will be the current form of franchise agreement we use to grant franchises as of the expiration of the Term or renewal term, as applicable, the terms of which may vary materially and substantially from the terms of this Agreement. If this Agreement is a Successor Agreement, the Term of this Agreement and your remaining renewal rights, if any, are governed by your original franchise agreement.

4.2. **Renewal Requirements**. In order to renew, you and the Owners (as applicable) must:

(a) send us a notice of your intent to enter into a Successor Agreement not less than nine (9) months nor more than 12 months before the expiration of the Term or renewal term, as applicable;

(b) not be in default under any Definitive Agreement at the time you send the renewal notice or sign the Successor Agreement;

(c) sign the Successor Agreement no later than 30 days after we send it to you and pay us a renewal fee calculated as 50% of our then-current, non-discounted, initial franchise fee;

(d) sign a General Release;

(e) upgrade all furniture, fixtures and equipment in your EHC Office to conform to our then-current standards and specifications; and

(f) extend the lease term for your EHC Office to coincide with the renewal term.

If we elect not to renew or offer you the right to renew, we will send you a notice of non-renewal at least 180 days before the expiration date that sets forth the basis for our decision. If you object to our non-renewal notice or dispute the basis for our decision, you must send us a notice of objection that sets forth the basis for your objection. Failure to send us an objection notice within 30 days after you receive our non-renewal notice constitutes your consent to the non-renewal of your franchise.

4.3. **Interim Term**. If you do not sign a Successor Agreement but continue to operate your EHC Business after the Term expires, we may either treat this Agreement as: (a) expired as of the Term expiration date with you operating in violation of our rights; or (b) continued on a month-to-month basis (the "Interim Term") until either party provides the other party with 30 days' prior notice of termination of the Interim Term. All your obligations remain in full force and effect during the Interim Term as if this Agreement had not expired, and all obligations imposed on you upon expiration of the Term will take effect upon termination of the Interim Term.

5. TRAINING AND CONFERENCES

5.1. **Initial Training**. Your Responsible Owner and Designated Manager must successfully complete our franchise operations and management training program ("Management Training") before your EHC

Business opens.

5.2. **Post-Opening Training**. Any new Responsible Owner or Designated Manager appointed or hired after your Business opens must successfully complete Management Training prior to managing your Business. We may offer periodic refresher or supplemental training courses for your Responsible Owner, Designated Manager, Caregivers and other staff. We may designate each course as mandatory or optional. If we determine your EHC Business is not operating in full compliance with this Agreement or the Manual, we may require that your Responsible Owner and Designated Manager attend remedial training relevant to your operational deficiencies. We may, but need not, provide additional assistance or training requested by you at a mutually convenient time.

5.3. **Training Locations**. Our training programs may take place at any location we designate. We reserve the right to conduct training programs virtually.

5.4. **Training Fees & Expenses**. We provide our preopening initial training program at no additional charge for up to three (3) trainees. If we conduct initial training at a designated training facility (such as our corporate headquarters) and you send more than three (3) trainees, we may charge a $500 initial training fee for each trainee you send in excess of three (3). We may charge a training fee of up to $750 per Person per day for any Person who attends: (a) Management Training after your EHC Business opens; (b) remedial training; (c) additional training you request; or (d) refresher or supplemental training. If we provide onsite training or assistance, you must also reimburse our Travel Expenses. You are responsible for all wages and Travel Expenses you and your personnel incur to attend training.

5.5. **Conferences & Meetings**. We may hold periodic conferences to discuss business and operational matters relevant to EHC Businesses. Attendance by your Designated Manager and Responsible Owner is mandatory unless we designate attendance as optional or waive your obligation to attend for good cause. We may charge you a conference registration fee of up to $2,000 per Person per conference (our current fee is $495 per Person per conference). You are responsible for the conference registration fee if your Responsible Owner or Designated Manager fail to attend a required conference without a waiver. You are also responsible for wages and Travel Expenses you and your personnel incur to attend conferences. Your Designated Manager and Responsible Owner must also attend all in-person meetings and remote meetings we require.

6. OTHER FRANCHISOR ASSISTANCE.

6.1. **Manual**. We provide you with access to our Manual during the Term. The Manual will help you develop and operate your EHC Business. The information in the Manual is confidential and proprietary and may not be disclosed to third parties without our prior approval.

6.2. **General Guidance**. We will periodically review and evaluate your EHC Business, and reports you send us, and provide our guidance and recommendations on ways to improve your Business operations. We will be available to render advice, discuss problems and offer general guidance to you during normal business hours by phone, email or other means of communication.

6.3. **Field Visits**. We may, but need not, conduct periodic field visits to provide onsite consultation, assistance and guidance regarding EHC Business operations. We will provide a report detailing any problems or concerns observed during the visit together with our instructions to address or resolve them. You must implement all mandatory corrective measures in the time and manner we specify.

6.4. **Strategic Relationships**. From time to time we may, but need not, establish Strategic Relationships in order to enhance our System or expand the potential client base for EHC Businesses. You must participate in all Strategic Relationships in accordance with the terms and conditions of any Strategic Relationship Contract we negotiate with the Strategic Relationship Partner. We may designate any program involving a Strategic Relationship as a system-wide program subject to the terms of §11.9, including any Program Participation Rules we establish for the program. Strategic Relationships, and the associated programs, may change from time to time. We have no obligation to maintain existing Strategic Relationships or develop new ones. We have the exclusive right to establish Strategic Relationships and enter into agreements with Strategic Relationship Partners. You are prohibited from doing so. You must refer all potential Strategic Relationship opportunities to us. We may prohibit you from participating in a Strategic Relationship program if: (a) you are in default under any Definitive Agreement; (b) you fail to satisfy any minimum eligibility, performance, client service or other criteria we (or the Strategic Relationship Partner) establish for participation in the program; or (c) the Strategic Relationship Partner objects to you servicing the account. If you are prohibited from participating in a program, another company-owned or franchised EHC Business may provide EHC Services to Strategic Relationship Clients located in your Territory and you will not be entitled to any compensation in connection with such services or business activities.

6.5. **Website**. We currently maintain a corporate website for our brand. We will also create and host a webpage for your EHC Business that will be linked to our corporate website and list information about your EHC Business we deem appropriate. We control all content on your webpage but will consider your suggestions in good faith. We will own your webpage and domain name. We may change or discontinue our website and/or your webpage at any time.

6.6. **Purchase Agreements**. We may, but need not, negotiate purchase agreements with suppliers to obtain discounted prices for franchisees. We will arrange for you to be able to purchase the goods or services directly from the supplier at the discounted prices we negotiate (subject to any rebates the supplier pays to us). We or our affiliate may also purchase goods from suppliers in bulk and resell them to you at our cost plus shipping fees and a markup.

6.7. **Call Center.** We may operate, or designate a third-party provider to operate, a call center to answer calls, set client appointments, route new client leads to an appropriate EHC Business and provide other related services. You must participate in the call center program and pay all reasonable setup and monthly fees designated by us or the third-party provider (not to exceed the greater of $150 per month or 3% of monthly Net Billings, if paid to us or our affiliate). Participation in the program may include: (a) using and publishing a telephone number that we designate; (b) engaging a designated service provider (which may be us, our affiliate or a third party); (c) acquiring, installing and using related technology; and (d) executing any related user or service agreement designated by us or a third-party provider.

6.8. **New Developments**. We may, but need not, develop new EHC Services, merchandise, retail items or other goods or services that you may sell. You must comply with any minimum inventory stocking requirements in the Manual applicable to retail items (if any) offered for sale.

7. ESTABLISHING YOUR BUSINESS

7.1. **Site Selection**. You must identify and obtain our approval of the site for your EHC Office no later than your opening date; *provided, however*, that you must obtain our approval of the site before you apply for any business License that requires you to have an office location at the time you apply. The EHC Office must be at least 800 square feet in size. The site must be located in the Territory and conform to our minimum site selection criteria. You must send us a complete site report that includes all information, photos, video and documents we require, including the proposed lease. We may accept or reject sites you propose in our commercially reasonable judgment. We try to notify you of our decision within 30 days after we receive all requisite materials. Your site is deemed disapproved if we do not issue our approval within the 30-day period. If we approve your site before signing this Agreement, we list the address in Part C of ATTACHMENT "A". Otherwise, we send you a Site Approval Notice that lists the address of your approved site within 15 days after site approval. Within five (5) business days after we send you the Site Approval Notice, you must sign and date the franchisee acknowledgment section and send us a copy for our records. Our approval of the site is immediately effective and binding at the time we issue the Site Approval Notice even if you do not send us a signed acknowledgment. Our approval of the site is not a representation or warranty of any kind, express or implied, regarding the potential success or profitability of the site. It only means we believe the site meets our minimum criteria.

7.2. **Lease**. If you lease your EHC Office, you must use best efforts to ensure your landlord signs the prescribed form of Lease Addendum attached to this Agreement as ATTACHMENT "C". If your landlord refuses to do so we may either: (a) waive the Lease Addendum requirement (or the provisions disapproved by the landlord); or (b) require you to find a new site. You must promptly send us an executed copy of your lease and Lease Addendum for our records.

7.3. **EHC Office**. The Manual includes our standards and specifications for the design, layout, equipping and trade dress for an EHC Office. You must, at your sole expense, develop and equip your EHC Office to conform to the specifications in the Manual. We do not expect you will need to significantly remodel, renovate or structurally alter the premises to conform to our specifications. Your EHC Office must present a professional appearance and be kept in good order. You must purchase (or lease) and install all equipment, fixtures, signs and other items we require.

7.4. **Opening**. You must open your EHC Business to the public within 120 days after the Effective Date; *provided, however*, that we will not unreasonably withhold our approval of an opening date extension if: (a) you timely applied for and are diligently pursing a material License necessary to operate the Business; and (b) your inability to open within the 120-day period is solely due to delayed processing and issuance of such License by a Governmental Authority. You must notify us of your proposed opening date at least 30 days before opening. We may conduct a preopening inspection of your EHC Office. You must make all changes we require before you open. You may not open prior to receipt of our written authorization to open, which we will not issue before: (a) the Responsible Owner and Designated Manager successfully complete initial training; (b) you secure all required Licenses and send us copies of same; (c) you purchase all required insurance policies and provide us with evidence of coverage; (d) we review and approve the equipping and layout of your EHC Office; (e) you hire and train the initial staff necessary to operate the Business; and (f) you fulfill your other preopening obligations under this Agreement and the Manual.

7.5. **Relocation**. You may relocate your EHC Office to a new site in your Territory with our prior approval, which we will not unreasonably withhold. If we allow you to relocate you must: (a) obtain our approval of the new site for your EHC Office; (b) comply with §7.1 through §7.4 with respect to your new EHC Office (excluding the opening deadline); (c) deidentify your former EHC Office in accordance with §22.1(j); (d) sign a General Release; and (e) open your new EHC Office not more than three (3) days after closing your former EHC Office; *provided, however*, that if you relocate because your EHC Office is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, then you have 120 days after closing to reopen your EHC Office at the new site. We may, in our sole discretion, prohibit you from relocating your EHC Office outside the Territory. You must continue to operate your Business throughout the relocation process.

8. MANAGEMENT AND STAFFING.

8.1. **Owner Participation**. You must designate an Owner with primary responsibility for your EHC Business (the "Responsible Owner"). The Responsible Owner must: (a) be approved by us; (b) have binding decision-making authority on matters involving your EHC Business; (c) successfully complete all training programs we require; (d) dedicate full-time and best efforts to the Business; (e) provide onsite management of your EHC Office during normal business hours unless a Designated Manager is onsite; and (f) at all times own at least 20% of the Equity Interests in the Business or Franchisee Entity, unless we waive this requirement.

8.2. **Designated Manager**. You must appoint a Person with primary responsibility for the management of your Business (the "Designated Manager"). The Designated Manager must: (a) be approved by us; (b) successfully complete all training programs we require; (c) dedicate full-time and best efforts to the management of your Business; (d) be present at your EHC Office during normal business hours and available by telephone during the hours specified in the Manual; and (e) sign a Confidentiality Agreement. The Responsible Owner may, but need not, serve as the Designated Manager; *provided, however*, that the Responsible Owner may not serve as the Designated Manager for more than one (1) EHC Business at a time without our approval. If the Responsible Owner does not serve as the Designated Manager, the Responsible Owner must supervise the Designated Manager to ensure your Business is operated in compliance with this Agreement and the Manual. You must ensure that either the Designated Manager, an administrative staff member or a patient coordinator is available to handle client intake, scheduling and support matters during business hours. Either the Responsible

Owner or Designated Manager must live in the Territory within a 1-hour drive from the EHC Office.

8.3. **Caregivers**. No Person may provide EHC Services to clients other than your Responsible Owner, Designated Manager and Caregivers. Any Person you hire as a Caregiver must: (a) satisfy any minimum standards or qualifications for Caregivers set forth in the Manual; (b) satisfy any testing or other requirements imposed by Law; (c) sign a Confidentiality Agreement; and (d) pass a background check and agree to submit to random drug testing and future background checks. Because the safety and wellbeing of clients is our highest priority, Caregivers must pass background checks before having contact with clients or entering their homes. You must ensure the results of the background check do not indicate the Person presents a significant risk to the safety or wellbeing of clients (e.g., if the background check reveals a history of elder abuse or crimes involving elders).

8.4. **Employees Generally**. You must determine appropriate staffing levels for the EHC Business to ensure full compliance with this Agreement and our system standards. You will hire, train and supervise employees necessary to operate the EHC Business. You must pay all associated wages, commissions, benefits, worker's compensation premiums and payroll taxes (and other withholdings required by Law). These employees will be employees of yours and not of ours. We do not control the day-to-day activities of your employees or the manner in which they perform their assigned tasks. You must inform your employees that you exclusively supervise their activities and dictate the manner in which they perform their assigned tasks. In this regard, you must use your legal business Entity name (not our Marks or a fictitious name) on employee applications, paystubs, pay checks, employment agreements and similar documents. We do not control the hiring or firing of your employees. You have sole authority and responsibility for employment-related decisions, including hiring, promotion, hours worked, rates of pay, benefits, work assignments, training and working conditions. We do not provide guidance or advice on these matters. You must ensure each employee signs our prescribed acknowledgment form explaining the nature of the franchise relationship and clarifying you are his or her sole employer. You must also post a conspicuous notice for employees in the back-of-house area explaining your franchise relationship with us and that you (and not we) are their sole employer. We may prescribe the form and content of this notice.

8.5. **Interim Manager**. We may, but need not, designate a Person (an "Interim Manager") to manage your EHC Business if: (a) your Responsible Owner ceases to perform the responsibilities of a Responsible Owner and you fail to appoint an approved and fully-trained replacement within 30 days thereafter; or (b) you fail to cure a material breach before the expiration of the cure period. The Interim Manager will cease to manage your EHC Business at the time you appoint an approved and fully-trained replacement Responsible Owner or you cure the material breach, as applicable. If we appoint an Interim Manager, you agree to: (a) pay us a management fee we designate (not to exceed $1,000 per day) during the time the Interim Manager manages your EHC Business; and (b) reimburse all Travel Expenses the Interim Manager incurs. The Interim Manager has no liability to you except for gross negligence or willful misconduct. We have no liability to you for an Interim Manager's actions unless we are grossly negligent in appointing the Interim Manager.

9. **FRANCHISEE ENTITY**. You represent that Part A of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Franchisee Entity authorizing the execution of this Agreement, a copy of the Franchisee Entity's organizational documents and a current Certificate of Good Standing. Each Owner of the Franchisee Entity, and the spouse of each Owner who is a natural Person, must sign an Owner Agreement.

10. **ADVERTISING & MARKETING**.

10.1. **Brand Fund**. We administer a brand and system development fund to promote public awareness of our brand and improve our System. On each royalty fee due date, you must pay us a brand fund fee equal to 2% of Net Billings for the prior reporting period (or such lower amount we designate in our sole discretion). We may use the fund to pay for:

(a) developing, administering or distributing advertising and marketing materials and programs;

(b) conducting and administering promotions, contests or giveaways;

(c) public and consumer relations and publicity;

(d) brand development;

(e) sponsorships and charitable and non-profit donations and events;

(f) research and development of technology, products and services;

(g) website development and search engine optimization;

(h) developing, maintaining and promoting an ecommerce platform;

(i) developing and implementing quality control programs and client satisfaction surveys;

(j) conducting market research;

(k) researching, developing, testing and implementing changes and improvements to the System;

(l) advertising training programs;

(m) fees and expenses charged by advertising agencies we engage to provide marketing services;

(n) collecting and accounting for brand fund fees and preparing financial accountings of the fund;

(o) any other programs or activities we deem appropriate to promote or improve the System; and

(p) direct or indirect labor, administrative, overhead and other expenses incurred by us and/or our affiliates relating to any of these activities, including salary, benefits and other compensation of any of our (and any of our affiliate's) officers, employees or independent contractors based on time spent working on any brand fund matters described above.

We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location and all other matters pertaining to marketing or advertising activities. Any surplus in the fund may be invested and we may lend money to the fund if there is a deficit. The fund is not a trust and we have no fiduciary obligations to you with respect to our administration of the fund. In terms of marketing activities paid for by the fund, we do not ensure that: (a) expenditures in (or affecting) a given geographic area are proportionate or equivalent to brand fund fees paid by franchisees in that geographic area; or (b) franchisees benefit directly or in proportion to their brand fund fees. We will prepare, and make available to you upon request, an annual statement of fund operations, including deposits and disbursements. We may suspend or discontinue the fund at any time upon 30 days' prior notice.

10.2. Marketing Assistance From Us. We will provide reasonable marketing consulting, guidance and support throughout the Term on an as-needed basis. We may also provide access to a recommended marketing plan, which may be included in the Manual. We may designate any aspect of the marketing plan as mandatory. We may create and provide you with access to local advertising assets such as print marketing materials, posters, banners, videos and audiotapes, social media templates and stock photography. We may: (a) use the brand fund to pay for the creation and distribution of these materials, in which case there will be no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; and/or (c) contract with third-party suppliers to create and sell these materials to you.

10.3. Your Marketing Activities.

(a) Generally. You must participate in all advertising, promotional and marketing programs we require at your expense, including any advertising cooperative we establish pursuant to §10.4. You must spend at least $1,000 on pre-opening advertising and marketing that we require or otherwise approve. In addition, commencing with completion of initial training, you must spend an amount equal to or greater than your Local Marketing Commitment on local advertising to promote your EHC Business. Your "Local Marketing Commitment" is a monthly amount equal to the greater of (i) $750 or (ii) 1% of Net Billings generated during the prior month. We measure your compliance on a rolling six-month basis, meaning as long as your average monthly expenditure on local advertising over the six-month period equals or exceeds the Local

Marketing Commitment, you are deemed in compliance even if your expenditure in a given month is less than the Local Marketing Commitment. Brand fund fees are in addition to, and not credited towards, your Local Marketing Commitment. If you fail to spend an amount equal to or greater than your Local Marketing Commitment, we may require you to pay us the difference.

(b) Advertising Standards. All your advertising must be completely factual, conform to the highest standards of ethical advertising and comply with all Laws. You must ensure your advertising does not infringe upon the intellectual property rights of others. You must comply with any policies we establish pertaining to minimum advertised pricing.

(c) Extraterritorial Advertising. You may advertise and market outside your Territory as long as you: (i) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (ii) do not engage in targeted marketing directed into another EHC Business's territory (unless conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received in both your Territory and the territory of another EHC Business is not "targeted marketing" if: (i) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (ii) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another EHC Business's territory. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory.

(d) Advertising Approval. Prior to use, we must approve all advertising and marketing programs and materials you intend to use, including all materials we did not prepare or previously approve, or that we prepare or approve and you modify. We must also approve the media you use. You may not use any advertising materials, programs or media that we have not approved or that we approve and later disapprove. We have 15 days to review and approve or disapprove advertising and marketing materials and programs you submit. Our failure to approve them within the 15-day period constitutes our disapproval. Any advertising you propose and we approve is an "Improvement" for purposes of §18.6.

(e) Social Media. You may promote your EHC Business using social media provided that: (i) you only use social media platforms we approve; (ii) you strictly comply with our social media policy; (iii) you immediately remove any post we disapprove; (iv) you contract with any social media company we designate upon request; and (v) we own all social media accounts relating to your EHC Business and retain full administrator rights.

(f) Internet & Websites. Without our prior approval, you may not: (i) develop, host, or otherwise maintain a website (or other digital presence) that references our Marks; (ii) conduct digital or online advertising or marketing (except as we require or approve); or (iii) engage in ecommerce.

10.4. Advertising Cooperative. We may, but need not, establish regional advertising cooperatives to create and/or purchase advertising that benefits all EHC Businesses in the region. We may: (a) determine the boundaries of the cooperative; (b) specify the manner in which the cooperative is organized and governed; (c) require the cooperative to be administered in accordance with written bylaws, organizational documents or other governing documents we approve; and (d) require you to participate in the cooperative according to its rules and procedures and abide by its decisions. You must pay a cooperative advertising fee on each royalty fee due date or such other date specified by the cooperative. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the fee will not exceed the Local Marketing Commitment unless a higher fee is approved by 2/3 majority vote of the cooperative's members. We may either: (a) collect cooperative advertising fees and remit them to the cooperative; or (b) require you to pay these fees directly to the cooperative. All cooperative advertising fees you pay are credited towards your Local Marketing Commitment. We may form, change, merge or dissolve advertising cooperatives in our discretion.

10.5. Use of Name & Image. You and the Owners hereby grant us the right, without compensation to you or the Owners, to use in our franchise sales process and/or in any publication about the System: (a) your name and address; (b) Owner names and biographical information; and (c) photos, videos and other recordings of you and your Owners, staff, EHC Office and business operations.

11. OPERATING STANDARDS.

11.1. **Manual**. You must develop and operate your EHC Business in full compliance with this Agreement, the Manual and our standards in order to maintain the goodwill associated with the Marks. The Manual may contain, among other things:

(a) specifications for for a prototype EHC Office;

(b) a list of (i) goods and services (or specifications for goods and services) you must purchase to develop and operate your EHC Business and (ii) designated and approved suppliers;

(c) a description of EHC Services and retail items (if any) we require or authorize EHC Businesses to sell;

(d) specifications, techniques, methods, operating procedures and quality standards;

(e) employee uniforms;

(f) client service standards;

(g) business forms; and

(h) policies and procedures pertaining to any matters we deem appropriate such as: reporting and data entry; accounting and bookkeeping; insurance; marketing and advertising; gift card, loyalty and Strategic Relationship programs; AI Technology; and data ownership, use, encryption, transfer and protection.

The Manual is designed to protect our brand standards and ensure the uniformity and quality of the goods and services offered by EHC Businesses. We can modify the Manual at any time. Modifications are binding at the time we notify you of the change, subject to any "grace period" we provide to implement the change. All mandatory provisions in the Manual (whether included now or in the future) are binding on you. The Manual may consist of written text as well as videos, tutorials, training modules, recordings and/or other means of communication.

11.2. **Authorized Goods & Services**. You must offer all goods and services we require from time to time in our commercially reasonable discretion. You may not offer any other goods or services without our prior approval. You must develop a customized care plan for each client that includes the various EHC Services that match their needs. We may change authorized goods and services at any time and you must comply with our instructions regarding same. You must at all times maintain sufficient staff, materials and supplies to meet anticipated client demand.

11.3. **Sales Restrictions**. Unless you receive our prior approval, you may not: (a) operate your Business from any location other than your EHC Office; (b) produce, sell or provide goods or services through any other channel of distribution, including through an ecommerce site; (c) sell goods or services to any Person for purposes of resale; or (d) use your EHC Business or EHC Office, or permit them to be used, for any purpose other than offering the goods and services we authorize. You may not operate your Business outside your Territory except to the extent permitted by §3.2 or §3.3.

11.4. **Pricing**. We will provide you with our suggested retail pricing. You may deviate from our suggested pricing at your discretion; *provided, however*, that we may: (a) require you to offer all limited time promotions we designate (including charitable promotions); (b) require you to charge the pricing we negotiate under Strategic Relationship programs; and (c) to the extent permitted by applicable Law, set maximum or minimum prices on goods and services you sell.

11.5. **Client Payments**. You must, at your expense, lease or purchase the necessary equipment and/or software and have arrangements in place with Visa, MasterCard, American Express and all other credit card issuers we designate, in order for you to be able to accept such methods of payment from clients. You must accept debit cards, credit cards, stored value cards, and other non-cash systems (including, for example, Apple Pay and/or Google Wallet) that we specify. You must acquire and install all necessary hardware and/or software used in connection with these non-cash systems. Our current business model is limited to a cash-basis, private-pay model. Accordingly, your Business may not accept any of the following as payment for goods or services sold or provided in connection with your Business: (a) Medicare, Medicaid or any other state or federal government funded benefit plans or fiscal intermediaries; or (b) third-party private payors such as insurance companies, health plans and health maintenance organizations.

11.6. Suppliers & Purchasing.

(a) Generally. You must purchase, lease or license, as applicable, all goods, services and other items required by the Manual. You must only purchase goods and services that satisfy all standards and specifications we designate. You must comply with all sourcing and supplier restrictions we impose from time to time. We may require you to participate in a purchasing cooperative or national or regional purchasing program.

(b) System Suppliers. You must, in accordance with the Manual, purchase certain goods and services exclusively from suppliers we designate or approve. The Manual may designate us or our affiliate as a designated or approved supplier. We and our affiliates may generate a profit from these purchases. Our right to specify the suppliers you use is necessary so we can control the uniformity and quality of goods and services used, sold or distributed in connection with the development and operation of EHC Businesses, protect our trade secrets, negotiate bulk purchase discounts and protect the reputation and goodwill associated with our System and Marks. You must immediately discontinue purchasing from any supplier we disapprove.

(c) Approval Process. If you wish to purchase alternative goods or services, or purchase from alternative suppliers, you must send us a request for approval that: (i) identifies the proposed supplier and the goods/services to be purchased; (ii) includes all information we require about the goods/services and the supplier (including the supplier's qualifications, reputation, financial strength and production capabilities); and (iii) includes product samples for examination and testing purposes. We may condition our approval on the supplier's agreement to comply with our minimum insurance, indemnification, reporting and confidentiality requirements for system suppliers. We will approve or disapprove your request within 30 days after we receive all required information and samples. Your request is deemed disapproved if we fail to issue our approval within the 30-day period. You must reimburse all costs we incur to review suppliers or goods/services you propose. We need not consider substitute goods or alternative suppliers for goods that are proprietary or branded with our Marks.

(d) Payment Disputes. You understand that: (i) your failure to timely pay a system supplier may jeopardize the supplier's relationship with us and other franchisees; and (ii) a supplier's termination of its relationship with us or refusal to supply goods or services to our franchisees may cause significant harm to us and our franchisees. Accordingly, you agree to promptly pay all amounts owed to system suppliers except as otherwise permitted by this Section. If you have a bona-fide dispute with a supplier that you believe justifies non-payment or partial payment, you must promptly notify the supplier of the particulars of your Claim and diligently pursue resolution of the Claim. Any trade debt that remains unpaid more than 30 days after its due date constitutes a material breach of this Agreement unless, before the end of the 30-day period: (i) you and the supplier agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt.

(e) Supplier Payments. We may receive rebates, benefits and other consideration from suppliers based on your purchases, leases or licenses. We may retain these payments as compensation and reimbursement for time and expenses we incur to negotiate and manage supplier relationships. We have no obligation to pass them through to you or use them for any particular purpose.

(f) Disclaimer of Liability. Provided that we designate or approve system suppliers in good faith, we have no liability to you for their acts, errors or omissions, including defective or tainted goods, delayed delivery or inability to meet demand. With respect to goods purchased from us or our affiliate, you acknowledge that we or our affiliate purchase the goods from third-party manufacturers or suppliers and resell them to you as a convenience. If you have any type of Claim relating to the purchase of goods or services from a system supplier, your sole recourse shall be against the supplier. If we or our affiliate are the supplier, your sole recourse shall be against the manufacturer or supplier from whom we or our affiliate acquired the goods unless both: (i) the Claim arises from our (or our affiliate's) failure to supply the goods in breach of our obligations under this Agreement; and (ii) our (or our affiliate's) failure to supply the goods is not caused by a Force Majeure event. ***We and our affiliates make no warranties or representations and expressly disclaim all warranties and representations, including the implied warranties of merchantability and fitness for a particular purpose, with respect to goods or services you purchase from system suppliers***.

11.7. Equipment Maintenance & Changes. You must maintain your equipment in good condition and promptly repair or replace damaged or obsolete equipment. We may require that you change your equipment. Our right to require these changes is critical to our ability to administer and change the System and you must comply with these changes within the time period we reasonably prescribe.

11.8. Technology Systems.

(a) Generally. You must acquire and utilize all Technology Systems we require from time to time. Technology Systems may relate to matters such as: purchasing; pricing; accounting; order entry; inventory control; scheduling; billing; security; data storage, retrieval and transmission; client information; client loyalty; marketing; communications; copying, printing and scanning; or any other business purpose we deem appropriate. We may require that you acquire new or substitute Technology Systems and/or replace, upgrade or update existing Technology Systems at your expense upon reasonable prior notice. You are solely responsible for: (i) the acquisition, operation, maintenance, updating and upgrading of your Technology Systems; (ii) the manner in which your Technology Systems integrate and interface with our computer system and those of third parties; and (iii) any consequences resulting from improper use or operation, or failure to properly maintain, update or upgrade, Technology Systems.

(b) Use & Access. You must use Technology Systems in accordance with the Manual and comply with all associated data entry policies. You must promptly schedule all client services and appointments using our designated scheduling software. You may not load or permit any unauthorized programs or games on your Technology Systems. You must ensure your employees are adequately trained in the use of the Technology Systems. You agree to take all steps necessary to provide us with independent and unlimited access to data collected by or through your Technology Systems, including Net Billings data for purposes of calculating fees owed. You must also obtain any necessary signed consents from clients in order for us to access Client Data. Upon request, including upon termination or expiration of this Agreement, you must provide us with user IDs and passwords for your Technology Systems.

(c) AI Technology. Except as otherwise provided below or in the Manual, you may not use AI Technology without our approval. You do not need our approval to use commercially available off-the-shelf productivity software with embedded AI Technology features (e.g., Microsoft Office with Copilot or Google Workspace with Gemini) for internal business purposes provided that: (i) you only use commercially available standard features and configurations (e.g., no beta, preview, experimental or custom features, third-party plugins, extensions or integrations); (ii) you do not input, upload, submit, expose or otherwise make available to AI Technology any Confidential Information; (iii) you do not authorize, permit or enable training, fine-tuning, grounding or improvement of any AI models, algorithms, products or services based on Confidential Information (if available, you must affirmatively opt out of any such training or improvement features and send us confirmation of same upon request); (iv) you do not use AI Technology (1) for consumer-facing, client-facing or other external communications, content or materials, (2) for marketing analytics, targeting, lead qualifying, profiling or other activities involving clients or third parties, (3) in violation of any Law, (4) in a manner that may cause physical or psychological harm or materially impact the health, safety or fundamental rights of any natural Person or (5) in any other manner prohibited by the Manual; and (v) you maintain commercially reasonable security measures to prevent unauthorized access to or disclosure of any data processed through such AI Technology and immediately notify us of any suspected or actual data breach, security incident or unauthorized use involving AI Technology.

(d) Disruptions. You are solely responsible for protecting against computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems and attacks by unauthorized Persons. Upon request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions. ***We and our affiliates: (i) make no representations or warranties that the Technology Systems will be free from defects or that your use of the Technology Systems will be uninterrupted or error-free; and (ii) have no liability for any indirect, consequential, incidental, special or punitive damages (including damages associated with loss of use, interruption of business, loss of data or loss of profits) arising from or relating to the Technology Systems.***

(e) Third-Party Technology. You understand and agree that we and our affiliates: (i) do not own certain Technology Systems (or components thereof) you must use to operate your EHC Business (i.e., Third-Party Technology); and (ii) have no liability to you for any Losses you incur as result of Third-Party Technology not functioning properly. Accordingly, you hereby: (i) waive any and all Claims against us or our affiliates relating to Third-Party Technology; and (ii) acknowledge your sole recourse for any Losses you incur due to improperly functioning Third-Party Technology shall be against the owner or licensor of such Third-Party Technology.

(f) Email Accounts & Phone Number. At no additional charge beyond our standard technology fee, we provide you with: (i) up to three (3) EXECUTIVE HOME CARE® email addresses ("EHC Email Addresses"); and (ii) the primary phone number associated with your Business (the "Designated Phone Number"). If we do not provide you with the Designated Phone Number, you must notify us of the Designated Phone Number you intend to use. You must exclusively use the: (i) Designated Phone Number as the primary phone number associated with your Business; and (ii) EHC Email Addresses for all email communications with us, clients, suppliers and other Persons relating to your Business. You may not use them for any purpose unrelated to your Business. Your advertising may not list any email address or phone number other than the EHC Email Addresses and Designated Phone number. We own all EHC Email Addresses and the Designated Phone Number but allow you to use them during the Term. If we provide the Designated Phone Number, we may either: (i) require you to pay monthly phone charges directly to the provider; or (ii) pay your monthly phone charges on your behalf and add such charges to your technology fee. If we provide more than three (3) EHC Email Addresses, we may charge you a fee for each additional EHC Email Address we provide (currently $30 per month per email address) and add this fee to your technology fee.

(g) Fees & Costs. You are responsible for all fees, costs and expenses associated with acquiring, licensing, utilizing, updating and upgrading Technology Systems. Certain Technology Systems must be purchased or licensed from third-party suppliers. We and/or our affiliate may develop proprietary Technology Systems (or components thereof) that become part of our System. If this occurs, you agree to: (i) pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees; and (ii) upon request, sign our prescribed form of license agreement governing use of proprietary Technology Systems (or components thereof). We may enter into master agreements with licensors of Third-Party Technology and charge you for amounts we pay them based on your use of their Third-Party Technology. We may charge you a technology fee, which includes all amounts you pay us and our affiliates relating to Technology Systems, including amounts paid for proprietary items and amounts we collect from you and remit to suppliers of Third-Party Technology. The technology fee may change based on changes to Technology Systems or prices charged by third parties with whom we enter into master agreements. The technology fee may include a reasonable administrative fee for the time, money and resources we invest to administer the technology platform and associated components, negotiate and manage contracts with third-party licensors, and collect and remit technology fees owed to third-party licensors on behalf of franchisees under master license arrangements. The technology fee does not include amounts you pay directly to third-party suppliers. The technology fee is due on each royalty fee due date or as we otherwise specify. We list the current technology fee in the Manual, but we will not require you to pay a technology fee in excess of $750 per month during the current Term of this Agreement.

11.9. <u>System Programs</u>.

(a) <u>Generally</u>. We may periodically develop and implement loyalty, gift card, Strategic Relationship and other system-wide programs. You must fully participate in all programs we designate as mandatory. In order to participate you must: (i) comply with all policies and procedures we establish for program participation; (ii) purchase or license and utilize all equipment, software, mobile applications, technology and others items we designate as being necessary for program participation and pay all associated fees and costs; and (iii) pay all program fees, contributions or other amounts we require for program participation to the designated third-party provider (collectively, "<u>Program Participation Rules</u>"). Program Participation Rules may be set forth in the Manual. We may change Program Participation Rules at any time and you must comply with the change. We may develop and implement new or successor programs and/or modify or terminate existing programs at any time.

(b) <u>Loyalty Program</u>. You must fully participate and implement all required client loyalty, rewards and other affinity programs designed to increase client loyalty, generate new clients or improve overall demand for EHC Services offered by EHC Businesses.

(c) <u>Gift Card Program</u>. You must participate in any gift card program we establish and honor all gift cards, even if purchased from us or another EHC Business. You may not sell gift cards we have not approved. We have the right to: (i) determine how gift card proceeds are divided or otherwise accounted for; (ii) require that gift card proceeds be paid to us or deposited into a trust account we control for subsequent disbursement to the EHC Business(s) where the gift card is redeemed; and (iii) retain proceeds from unredeemed gift cards.

11.10. <u>Hours of Operation</u>. Your EHC Business must be open for business during the minimum days and hours of operation set forth in the Manual, subject to any conflicting requirements imposed by Law. Due to the nature of the business, you must offer Staffing Services and live client-service support 24 hours a day, seven (7) days a week. If we do not implement a call center, you must answer all phone calls live during business hours.

11.11. <u>Standards of Service & Professionalism</u>. You must treat your employees and clients, and our staff, with honesty and respect. You and your staff must provide prompt, courteous, friendly and efficient service to all clients and ensure all client interactions are conducted in a dignified, professional and ethical manner.

11.12. <u>Client Complaints</u>. You must respond to all complaints by clients or prospective clients within 48 hours of receipt of the complaint. You must follow the complaint resolution process we specify to protect the goodwill associated with the Marks. If (a) we receive a client complaint regarding your Business and (b) we decide to provide the client with assistance or support (either directly or through another EHC Business) in response to the complaint, we may charge you a client support fee calculated as 150% of the actual costs incurred by us or such other EHC Business to provide such EHC Services or support to the client in response to the complaint.

11.13. <u>Quality Assurance Programs</u>. For quality control purposes we may periodically: (a) inspect your EHC Office and business operations in accordance with §6.3 and §17.1; (b) hire mystery shoppers or quality assurance firms to inspect your EHC Business; and/or (c) implement client satisfaction programs (including use of evaluation cards and surveys). These inspections and programs may address a variety of issues including: client service; client safety; client satisfaction; sanitation; utilization of required policies, procedures and protocols; etc. You must fully cooperate with all inspections. If the inspection reveals you are in material default, you must reimburse us for the cost of the inspection. We may implement a scoring system pursuant to which each EHC Business receives a “grade” or “score” based on inspection or survey results. Failure to achieve a passing grade or score constitutes a default under this Agreement. You must implement all corrective measures we require, in the time we specify, to rectify any noncompliance issues revealed by an inspection or survey.

11.14. Failure to Comply with Standards. You acknowledge the importance of every one of our standards and operating procedures to the reputation and integrity of the System and goodwill associated with the Marks. If we notify you of a breach of our standards or operating procedures (including failure to submit required reports in a timely manner) and you fail to cure within the time period we prescribe, we may (in addition to our other remedies under this Agreement) impose a noncompliance fee of $250 per occurrence. We may impose a separate $250 fee every seven (7) days the same noncompliance issue remains uncured after we impose the initial fee. Any noncompliance fees we collect are paid in consideration of us refraining from exercising our contractual right to terminate this Agreement. If you fail to cure a breach before the expiration of the cure period (if any) and we take steps to cure the breach (for example, obtaining required insurance coverage on your behalf or paying amounts you owe to system suppliers), then you must: (a) reimburse all costs and expenses we directly or indirectly incur in connection with our efforts to cure the default; and (b) pay us an administrative fee calculated as 20% of the total amount of such costs and expenses. Your payment of noncompliance fees and default expense reimbursements does not preclude us from terminating this Agreement in accordance with §21.2 if the default continues after we collect these amounts.

12. MINIMUM PERFORMANCE REQUIREMENTS. You must use best efforts to achieve the following minimum monthly sales criteria (the “Minimum Sales Criteria”) commencing with the beginning of the 13th month after you open your EHC Business:

Time Period	Minimum Monthly Net Billings
Months 13 through 24 after opening	$16,650 per month
Months 25 through 36 after opening	$25,000 per month
Months 37 through end of Term	$33,300 per month

We may increase the minimum monthly Net Billings in the table above based on CPI increases in accordance with §14.6. Your failure to achieve the Minimum Sales Criteria for a given month does not constitute a default under this Agreement; *provided, however*, that we may terminate this Agreement in accordance with §21.2(w) if you fail to achieve the Minimum Sales Criteria for five (5) or months during any consecutive 24-month period (commencing with the 13th month after opening).

13. FRANCHISE ADVISORY COUNCIL. We may, but need not, create a franchise advisory council (FAC) to provide us with suggestions to improve the System, including matters such as marketing, operations and new product or service suggestions. We consider all suggestions in good faith but are not bound by them. The FAC would be established and operated according to rules and regulations we periodically prescribe or approve, including procedures governing the selection of FAC representatives to communicate with us on matters raised by the FAC.

14. FEES

14.1. Initial Franchise Fee. You agree to pay us an initial franchise fee in one lump sum at the time you sign this Agreement. The amount of your initial franchise fee is listed in Part B of ATTACHMENT "A". The initial franchise fee is fully earned by us and nonrefundable once this Agreement is signed.

14.2. Royalty Fee. On the day we designate from time to time (the “royalty fee due date”) you must pay us a royalty fee equal to the greater of: (a) 6% of Net Billings generated during the immediately preceding reporting period; or (b) the minimum royalty fee. The “minimum royalty fee” varies in accordance with the following table:

Time Period (measured from opening date)	Minimum Royalty Fee (per month)
Months 0 through 12	$500 per month
Months 13 through 24	$1,000 per month
Months 25 through 36	$1,500 per month
Months 37 to end of Term	$2,000 per month

The minimum royalty fee may be pro-rated the month your Business opens and the last month of the Term. The current reporting period runs from the opening of business on the 1st day of each calendar month through the close of business on the last day of each calendar month. The current royalty fee due date is the fifth (5th) day immediately following the end of the prior reporting period. We may periodically change the reporting period and/or royalty fee due date through updates to the Manual.

14.3. Other Fees & Payments. You must pay all other fees, expense reimbursements and other amounts specified in this Agreement in a timely manner as if fully set forth in §14. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based on goods or services you sell or goods or services we furnish to you, excluding income taxes imposed on us based on fees you pay us under this Agreement.

14.4. Due Date & Late Fee. Payments are due 10 days after invoicing unless otherwise specified. If any sum due under this Agreement is not received by us when due or there are insufficient funds in your Account to cover the sum when due, then in addition to this sum you must pay us $150 plus default interest on the amount past due at a rate equal to the lesser of 18% per annum (pro-rated on a daily basis) or the highest rate permitted by applicable Law. We will not impose a late fee for any amount paid pursuant to §14.5 if, but only to the extent that, sufficient funds were available in your Account to be applied towards the payment when due; *provided, however*, that if we are unable to determine the amount due because you fail to record sales or submit Net Billings reports in a timely manner, we may assess a late fee on the entire amount that was due. This §14.4 does not constitute our agreement to accept late payments or extend credit to you. Fees are nonrefundable unless otherwise noted.

14.5. Method of Payment. No later than 15 days after the Effective Date, you must complete and send us a signed ACH Agreement authorizing us to electronically debit your designated Account for all amounts owed to us and our affiliates on the applicable due date, excluding amounts due less than 15 days after the Effective Date. You must sign all other documents required by us or your bank to enable us to debit your Account for amounts owed. You must deposit all Net Billings into the Account and ensure sufficient funds are available for withdrawal before each payment due date. If there are insufficient funds in your Account, any excess amounts you owe will be payable upon demand together with any late fee imposed pursuant to §14.4. If (a) there are insufficient funds in your Account to cover amounts owed when due or (b) a check you issue to us is returned for insufficient funds, we may impose (in addition to any applicable late fee) an NSF fee equal to the lesser of $50 or the maximum NSF fee permitted by applicable Law. You may not assign or pledge any current or future accounts receivable to another Person without our prior consent.

14.6. CPI Adjustments. We may periodically adjust all fees (including minimum fees and fee caps) expressed as a fixed dollar amount based on changes to the U.S. Consumer Price Index (CPI). We may periodically review and increase these fees up to the increase in the CPI, but only if the then-current CPI ("Current CPI") is more than 5% higher than the corresponding CPI in effect on: (a) the Effective Date of this Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments) ("Baseline CPI"). The adjusted fee is calculated by multiplying the current fee by the sum of one (1) plus a fraction: (a) the numerator of which is Current CPI minus Baseline CPI; and (b) the denominator of which is Baseline CPI. We may utilize any CPI index series published by the U.S. Department of Labor or any comparable Governmental Authority that we deem appropriate. We currently use the following index: All Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-84 = 100), "All Items". We will notify you of any CPI adjustment at least 60 days before it becomes effective. We may implement no more than one (1) fee adjustment during any five (5) year period. If we decline to exercise our right to increase fees in a given five (5) year period despite a 5% or greater CPI increase, that potential fee increase will accumulate and may be carried forward and applied to a subsequent fee adjustment. We may also adjust the Minimum Sales Criteria figures in §12 at the same time, and in the same manner, as we adjust fees in accordance with this Section.

15. BRAND PROTECTION COVENANTS.

15.1. **Reason for Covenants**. The Intellectual Property, training and assistance we provide would not be acquired except through implementation of this Agreement. You agree that competition by you, the Owners or Persons associated with you or the Owners (including family members) could seriously jeopardize our franchise system because you and the Owners receive an advantage through knowledge of our day-to-day operations and Know-how. You and the Owners agree to comply with the covenants in §15 to protect the Intellectual Property and our franchise system.

15.2. **Intellectual Property & Confidential Information**. You and the Owners agree to: (a) refrain from using any Intellectual Property or Confidential Information in any business or for any purpose other than the operation of your EHC Business pursuant to this Agreement; (b) maintain the confidentiality of our Confidential Information at all times; (c) refrain from making unauthorized copies of documents containing Confidential Information; (d) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (e) stop using the Intellectual Property and Confidential Information immediately upon the expiration, termination or Transfer of this Agreement (any Owner who ceases to be an Owner before the expiration, termination or Transfer of this Agreement must stop using the Intellectual Property and Confidential Information immediately at the time he or she ceases to be an Owner).

15.3. **Unfair Competition**. You and the Owners may not engage in any Prohibited Activities during the Term or Post-Term Restricted Period. Notwithstanding the foregoing, you and the Owners may have an interest in a Competing Business during the Post-Term Restricted Period as long as the Competing Business is not located (and does not operate) within the Restricted Territory. If you or an Owner engage in a Prohibited Activity during the Post-Term Restricted Period (except as permitted by this Section), then the Post-Term Restricted Period applicable to you or the non-compliant Owner, as applicable, shall be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity. For purposes of clarity, you and the Owners remain bound by non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Post-Term Restricted Period under this Agreement, and the expiration of the Post-Term Restricted Period under this Agreement does not diminish your or the Owners' obligation to comply with such covenants.

15.4. **Family Members**. Because (a) an Owner could circumvent the intent of §15 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child or grandchild) and (b) it would be difficult for us to prove whether the Owner disclosed Confidential Information to the family member, each Owner agrees that he or she will be presumed to have violated the terms of §15 if any member of his or her immediate family engages in any Prohibited Activity during the Term or Post-Term Restricted Period or uses or discloses Confidential Information. However, the Owner may rebut this presumption with evidence conclusively showing he or she did not disclose Confidential Information to the family member.

15.5. **Employees**. All employees, officers, directors, independent contractors and other Persons associated with you or your EHC Business must sign and send us a Confidentiality Agreement before accessing our Confidential Information. You must: (a) use best efforts to ensure these individuals comply with the Confidentiality Agreements; (b) immediately notify us of any breach that comes to your attention; and (c) reimburse all expenses we incur to enforce a Confidentiality Agreement, including attorneys' fees and court costs.

15.6. **Covenants Reasonable**. You and the Owners agree that: (a) the covenants in §15 are reasonable both in duration and geographic scope; (b) our use and enforcement of similar covenants with other franchisees benefits you and the Owners by preventing them from unfairly competing with your EHC Business; and (c) you and the Owners have sufficient resources, business experience and opportunities to earn an adequate living while complying with the covenants in §15.

15.7. Breach of Covenants. You and the Owners agree that: (a) any breach of §15 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at Law; and (b) we are entitled to injunctive relief if you or an Owner breach §15, together with any other relief available at equity or Law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires us to post a bond despite our agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at Law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

16. YOUR OTHER RESPONSIBILITIES

16.1. Insurance. For your protection and ours, you agree to maintain the following insurance policies:

(a) "all risk" property insurance, including coverage for fire, vandalism and malicious mischief, with minimum coverage for 80% of replacement cost, covering all assets including inventory, furniture, fixtures, equipment and other property used to operate the EHC Business;

(b) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of your EHC Business, with minimum liability protection of $1,000,000 combined single limit per occurrence and $3,000,000 in the aggregate;

(c) professional liability insurance with minimum liability protection of $1,000,000 per occurrence and $1,000,000 in the aggregate;

(d) cyber security liability insurance with minimum liability protection of $1,000,000 combined single limit per occurrence and $1,000,000 in the aggregate;

(e) business interruption insurance providing coverage for 100% of all expenses and financial obligations for a minimum period of six (6) months, including fees owed to us, which are deemed to include average monthly royalty fees and brand fund fees imposed during the 12-month period preceding the event triggering coverage under the insurance policy (or the EHC Business's entire period of operation if less than 12 months);

(f) automobile liability and property damage insurance covering all loss, liability, claim or expense of any kind whatsoever resulting from the use, operation, or maintenance of any automobiles or motor vehicles, owned, leased or used by you or your officers, directors, employees, partners or agents in the operation of your EHC Business, with minimum liability protection of $1,000,000 combined single limit per occurrence and $1,000,000 in the aggregate;

(g) umbrella insurance with minimum liability protection of $1,000,000 combined single limit per occurrence and $3,000,000 in the aggregate;

(h) employment practices insurance with minimum liability protection of $250,000 per occurrence;

(i) worker's compensation insurance as required by Law, but in no event less than $500,000 per occurrence;

(j) any insurance required under your lease or by Law; and

(k) any other insurance we specify in the Manual from time to time.

These policies reflect our minimum requirements and may not be adequate to fully protect your interests. You may wish to procure additional coverage. You must provide us with proof of coverage: (a) 30 days before opening; (b) within 10 days after a policy renewal; and (c) any other time on demand. You must obtain these policies from licensed insurance carriers rated A- or better by AM Best. Each policy must satisfy all requirements in the Manual and be endorsed to: (a) name us and our owners, officers and directors as additional insureds on a primary and non-contributory basis; (b) waive all subrogation rights against us; and (c) provide us with at least 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. We may disapprove any policy that fails to meet these criteria, and you must immediately secure a new policy meeting our criteria. Upon 10 days' notice, we may increase the minimum liability coverage amount and/or require different or additional types of insurance due to inflation, special risks, changes in Law or standards of liability, higher damage awards or other relevant changes in circumstances. If you fail to maintain a required policy we may, at our option, obtain the policy on your behalf. If we do so, you must promptly sign any application or other form required to obtain the policy and reimburse all premiums and other costs we incur.

16.2. Books & Records. You must prepare complete and accurate books, records, accounts and tax returns pertaining to your Business and keep copies for at least five (5) years after their preparation. We may require you to prepare your books and records in compliance with our bookkeeping and accounting standards and policies in the Manual. You must maintain, and send to us upon request, a written list of all current, former and prospective clients. You must send us copies of: (a) all client contracts within five (5) days of their execution; (b) all federal, state and local income, sales and property tax returns relating to the Business at the time they are filed; and (c) any other books and records we designate within seven (7) days of our request. You must also obtain any necessary signed consents from clients in order for you to share their contracts and information with us. You must provide us with independent access to your QuickBooks Online (or other online accounting or bookkeeping) account with permission to read all reports.

16.3. Reports.

(a) Generally. You must prepare all reports we require in the form and manner we specify. You must send us copies of required reports upon request. We may independently access your Technology Systems to retrieve and compile Business Data and generate any reports we deem appropriate, including Net Billings reports.

(b) Report of Initial Investment Costs. To assist us in updating our Franchise Disclosure Document, you must complete and send us a report, in the form we designate, listing all expenses you incur to develop and open your EHC Business. You must send us the completed report within 60 days after the opening date of your EHC Business.

(c) Net Billings Reports. No later than each royalty fee due date, you must prepare and send us a statement of your Net Billings for the prior reporting period. We may also require you to submit weekly statements of your Net Billings. If you miscalculate Net Billings, you must notify us of the error before the end of the next reporting period. Otherwise, you will not be entitled to a refund or credit of fees paid to us based on previously reported Net Billings.

(d) Advertising Expenditure Reports. No later than the 10th day of each month, you must prepare and send us a monthly report detailing your expenditures incurred during the prior month on local advertising required by §10.3(a). All advertising expenditure reports must include copies of receipts for the reported expenditures.

16.4. Financial Statements. No later than the 15th day of each month, you must prepare and send us a monthly balance sheet and profit and loss statement for your Business for the prior month. Within 90 days after the end of each calendar year, you must prepare and send us a balance sheet (as of the end of the calendar year) and profit and loss statement for the prior calendar year. Financial statements must be: (a) verified and signed by you certifying to us that the information is true, complete, and accurate; (b) prepared on an accrual basis in compliance with Generally Accepted Accounting Principles; and (c) submitted in any format we reasonably require. We may require that your financial statements be reviewed or audited by a certified public accountant if you submit materially inaccurate financial statements on a prior occasion. You must send us a copy of any financial statement required by this Section upon request. You hereby authorize us to disclose Operational Data to prospective franchisees, Governmental Authorities and other Persons for any reasonable business purpose, provided the disclosure is not prohibited by applicable Law.

16.5. Legal Compliance. You must secure and maintain throughout the Term all required Licenses and operate your EHC Business in compliance with all applicable Laws. If, as a condition to licensure, applicable Law requires that a registered nurse (or other licensed healthcare professional) oversee or supervise any aspect of your Business or the rendering of any EHC Services, then you must make the necessary arrangements to ensure your Business is operated in compliance with all applicable Laws and licensure requirements. For the sake of clarity, you are strictly prohibited from providing any "medical services". You must procure, and maintain throughout the Term, any surety bond, fidelity bond or other form of financial security required by Law (or that we require in our reasonable discretion). You understand that operating an EHC Business without a required License (such as a home health agency or similar license) is unlawful and grounds for termination of this Agreement. If any required License is cancelled, terminated, not renewed or otherwise rendered ineffective, we may, in lieu of termination: (a) require you to immediately discontinue operating your Business and providing EHC Services to clients until such time that you have obtained all required Licenses; and (b) designate another franchised or company-owned EHC Business to operate your Territory and provide EHC Services to clients until such time that you have obtained all required Licenses. ***If we elect to have another EHC Business operate your Territory while you lack a required License: (a) you will not be entitled to any fees, revenue or other compensation relating to the EHC Services rendered by such other EHC Business; and (b) you hereby release and waive any and all Claims against us or such other EHC Business that in any way arise from or relate to the business conducted (or EHC Services rendered to clients) in your Territory by such other EHC Business***.

16.6. **Reportable Events**. You must notify us within two (2) business days after you become aware of any of the following (each, a "Reportable Event"): (a) the occurrence of an incident at your Business involving significant personal injury; (b) the issuance of a citation or notice of violation by a Governmental Authority (or the commencement of an inquiry you believe is reasonably likely to lead to a citation or notice of violation) relating to a health or safety matter involving your Business; (c) a cancellation, termination or non-renewal of a required License; (d) the commencement (or written threat) of an action, suit or proceeding against you, your Owners and/or your Business that is reasonably likely to materially and adversely affect you, your Business or the goodwill associated with the Marks; (e) a conviction or indictment of an Owner, the Designated Manager or a Caregiver for a felony or other crime reasonably likely to materially and adversely affect you, your Business or the goodwill associated with the Marks; or (f) receipt of a default notice from your landlord.

16.7. **Ownership & Protection of Business Data & Client Relationships**.

(a) Ownership & Use. We exclusively own all: (i) Business Data, whether collected by you, us or another Person; and (ii) client relationships and accounts. We license you the right to use the Business Data, client relationships and accounts solely for purposes of operating the Business in compliance with this Agreement.

(b) Protection. You must protect Client Data with a level of control proportionate to the sensitivity of data. You must comply with all applicable privacy Laws, data protection Laws and our data processing and data privacy policies in the Manual (if any). Upon request, you must sign any data processing or data privacy agreement required by Law (or required by us). You may not enter Business Data into public/open AI models or any other AI model that uses such information to train the AI without our prior approval.

(c) Protected Health Information. If required by Law (or if we so request) you agree to: (i) sign our most current form of Business Associate Agreement set forth in the Manual to protect sensitive "protected health information" (as defined by HIPAA); and (ii) use a HIPAA-compliant form of Business Associate Agreement with all "business associates" (as defined by HIPAA) with whom you share protected health information. We may require you to sign updated versions of our Business Associate Agreement that reflect our most current terms and conditions.

(d) PCI-DSS. You agree to: (i) adhere to all applicable compliance standards established by PCI-DSS; (ii) establish appropriate administrative, technical and physical controls consistent with Law and PCI-DSS to preserve the security and confidentiality of credit card information (in any form) that you store, process, transmit or come in contact with; (iii) promptly notify us if you suspect, or there has been, a security breach or potential compromise of credit card information;

(iv) send us updates regarding the status of PCI-DSS via completed PCI AOC (Attestation of Compliance), PCI-DSS SAQ (Self-Assessment Questionnaire) or other mutually-agreed method; and (v) promptly notify us of any PCI-DSS noncompliance to discuss your remediation efforts and timeline.

(e) Data Breach. In the event of a data breach, we reserve the right to exclusively control the response, but we have no liability to you for any damages arising from the data breach. You must cooperate with us and follow our instructions relating to the data breach.

17. INSPECTION AND AUDIT

17.1. Inspections. For quality control purposes and to ensure compliance with this Agreement, we (or our representative) may enter your EHC Office, evaluate your operations, inspect your books, records, accounts and tax returns and take pictures and/or video of your EHC Office, staff and Business operations. The scope of the inspection may include, among other things:

(a) evaluating the condition of your EHC Office for cleanliness, sanitation and state of repair;

(b) examining and copying your books, records, accounts and tax returns;

(c) auditing your use of AI Technology and related data handling practices;

(d) inspecting and testing your equipment;

(e) monitoring and speaking with your staff; and

(f) contacting your landlord and clients.

We may conduct inspections at any time without prior notice. We (or our representative) will use reasonable efforts to minimize any interference with the operation of your EHC Business. You and your employees must cooperate and not interfere with the inspection. You consent to us accessing your Technology Systems to retrieve Business Data. You must reimburse all Travel Expenses and other costs we incur to conduct an inspection to verify whether you remedied: (a) a health or safety issue identified by a Governmental Authority; or (b) a breach of system standards we bring to your attention. We bear the cost of all other inspections.

17.2. Audit. We may audit your books and records at any time. You must fully cooperate with us and any Person we hire to conduct the audit. If an audit reveals an understatement of Net Billings, you must immediately pay us all additional fees you owe together with any late fee imposed pursuant to §14.4. You must reimburse us for the cost of any audit (including reasonable accounting and attorneys' fees and Travel Expenses incurred by us or the auditor) that: (a) is required due to your failure to provide information we request, preserve records or file reports as required by this Agreement; or (b) reveals you understated Net Billings by at least 2% (if unintentional) or by any amount (if intentional). We bear the cost of all other audits. Your reimbursement of our audit costs does not preclude us from terminating this Agreement.

18. INTELLECTUAL PROPERTY

18.1. Ownership & Use. You acknowledge that: (a) we are (or our affiliate is) the exclusive owner of the Intellectual Property and the associated goodwill; and (b) your right to use the Intellectual Property is derived solely from this Agreement and is limited to a license to operate your EHC Business during the Term pursuant to, and only in compliance with, this Agreement and the Manual. You may not use the Intellectual Property relating to the sale of unauthorized goods or services or in any manner not expressly authorized by us. Any unauthorized use of the Intellectual Property is an infringement of our rights. You must comply with all provisions in the Manual governing use of the Intellectual Property. You will not acquire any goodwill, title or interest in or to the Intellectual Property. Any goodwill arising from your use of the Marks insures exclusively to us (or our affiliate) with no obligation to pay you compensation attributable to any goodwill from your use of the Marks.

18.2. Intellectual Property Changes. We may change the Intellectual Property at any time in our sole discretion, including the Copyrighted Materials, Know-how, Marks and/or System. You must, at your expense, implement all Intellectual Property changes we require in accordance with our instructions. We are not liable for any Losses you incur (including loss of goodwill associated with a Mark) due to a change to the Intellectual Property.

18.3. **Use of Marks**. You agree to: (a) use the Marks as the sole identification of your EHC Business; *provided, however*, that you must identify yourself as the independent owner of your EHC Business in the manner we prescribe; (b) prominently display the Marks in the manner we prescribe on or in connection with any advertising, promotional materials, displays, receipts, stationery and forms we designate to give notice of trademark and service mark registrations and copyrights; and (c) obtain any fictitious or assumed name registrations required by applicable Law. You may not: (a) use the Marks in any modified form or as part of a corporate or trade name or with any prefix, suffix, or other modifying words, designs or symbols (other than logos we license to you); (b) use the Marks when signing a contract, lease, check or other agreement or in any other manner that may cause confusion or imply we are liable for your obligations; (c) register or attempt to register a Mark, or a trademark confusingly similar to a Mark, with a Governmental Authority; or (d) challenge or contest the validity or ownership of our Marks.

18.4. **Tradename**. You must obtain a tradename (i.e., a fictitious or assumed name) registration if required by applicable Law. The tradename must be for "EXECUTIVE HOME CARE of (name of your Territory or other geographic descriptor)". You must submit your proposed tradename to us for approval. We will notify you of our approval through the issuance of a Tradename Approval Notice. You may not use any tradename we have not approved. You must surrender and cancel the tradename upon the termination, expiration or Transfer of this Agreement.

18.5. **Use of Know-how**. We disclose our proprietary Know-how to you during training programs, in the Manual and through other guidance furnished during the Term. You do not acquire any interest in the Know-how other than the right to use it solely for purposes of developing and operating your EHC Business in compliance with this Agreement and the Manual during the Term.

18.6. **Improvements**. If you (or your Owner or employee) conceive of or develop an Improvement, you must send us a notice describing the Improvement. You must obtain our approval prior to using the Improvement. You or your Owner or employee, as applicable, must assign to us or our designee, without charge, all rights to any Improvement we approve, including the right to grant sublicenses. If applicable Law precludes assigning ownership to us, you or your Owner or employee, as applicable, must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.

18.7. **IP Disputes**. You must immediately notify us of any IP Dispute. You may not communicate with any Person other than us and our counsel in connection with the IP Dispute. We have sole discretion in deciding what action, if any, to take in response to an IP Dispute. We exclusively control all litigation and other proceedings relating to IP Disputes. You must execute all documents, render all assistance, and perform all acts that our counsel deems necessary or advisable to protect or maintain our interest in the proceeding and/or protect the Intellectual Property. Provided that you are in full compliance with all Definitive Agreements, we will indemnify you and your Owners and hold them harmless for, from and against any Losses they incur as a result of or in connection with any Claim asserted against you and/or your Owners alleging that your use of our principal Mark (i.e., EXECUTIVE CARE® or EXECUTIVE HOME CARE®) in strict compliance with the terms of this Agreement and the Manual violates a third party's intellectual property rights. You must promptly notify us of any such Claim and fully cooperate with our defense of the Claim.

19. **INDEMNITY**. You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses they incur as a result of or in connection with:

(a) the marketing, use or operation of your EHC Business;

(b) the breach of a Definitive Agreement committed by you or your Owner or affiliate;

(c) the breach of an agreement with a third party committed by you or your Owner or affiliate;

(d) any conduct, act or omission of you or any of your Owners or employees;

(e) any representations you or your Owner make to a transferee in connection with a Transfer;

(f) any Claim relating to taxes or penalties a Governmental Authority assesses against us as a direct result of your failure to pay or perform functions required of you under this Agreement;

(g) libel, slander or disparaging comments made by you or your Owners, officers, employees or independent contractors regarding the System, an EHC Business or an Indemnified Party (this provision does not apply to disclosure of truthful information to Governmental Authorities);

(h) any labor, employment or similar type of Claim pertaining to your employees (including Claims alleging we are a joint employer of your employees) or our relationship with you or your Owners (including Claims alleging we are an employer of you and/or any of your Owners); or

(i) any actions, investigations, rulings or proceedings conducted by any Governmental Authority (including the United States Department of Labor, Equal Employment Opportunity Commission or National Labor Relations Board) relating to your employees.

You must immediately notify us of a Claim or proceeding described above. The Indemnified Parties have the right, in their sole discretion, to: (a) retain counsel of their choosing to represent them; (b) control the response thereto and defense thereof; and (c) settle the Claim. You may participate in the defense at your expense. You must cooperate with the Indemnified Parties and reimburse all Losses they incur to defend the Claim including mediation, arbitration or court expenses, expert fees and Travel Expenses incurred by attorneys or expert witnesses to attend proceedings or hearings relating to the matter. Your indemnification obligations survive and remain in effect after the Transfer, termination or expiration of this Agreement.

20. TRANSFERS

20.1. **By Us**. We have the unrestricted right to assign this Agreement to any Person without prior notice to you; *provided, however*, that we will remain liable for obligations we incur prior to the assignment date. We may also delegate any of our obligations under this Agreement.

20.2. **By You**. The rights and duties created by this Agreement are personal to you and the Owners. We are granting you franchise rights in reliance upon the character, skill, attitude, business ability and financial resources of you and your Owners. Because this Agreement is a personal services contract, neither you nor any Owner may engage in a Transfer (other than a Permitted Transfer) without our prior approval. Any Transfer (other than a Permitted Transfer) without our approval is void and constitutes a breach of this Agreement. We will not unreasonably withhold our approval of a proposed Transfer if all of the following conditions are satisfied:

(a) you send us a notice describing the terms and conditions of the proposed Transfer along with our current form of Franchise Application, completed by the proposed transferee;

(b) we believe the proposed transferee has sufficient business experience, aptitude and financial resources to own and operate an EHC Business and meets our minimum criteria for franchisees;

(c) you and your affiliates and Owners are in full compliance with all Definitive Agreements;

(d) the transferee's owners successfully complete, or make arrangements to attend, the initial training program and the transferee pays us any applicable training fee;

(e) your landlord consents to the assignment of your lease to the transferee, or the transferee is diligently pursuing an alternate site for their EHC Office within the Territory;

(f) the transferee and its owners obtain all required Licenses to own and operate the EHC Business;

(g) the transferee: (i) assumes your obligations under this Agreement and other Business-related contracts (including client contracts and supplier contracts); and (ii) signs any agreement we require to confirm the foregoing;

(h) the transferee and its owners sign our then-current form of franchise agreement (unless we instruct you to assign this Agreement to the transferee) except that: (i) the Term and renewal term(s) shall be the Term and renewal term(s) remaining under this Agreement unless we specify otherwise; and (ii) the transferee need not pay a separate initial franchise fee;

(i) the transferee agrees to upgrade all furniture, fixtures and equipment in the EHC Office to conform to our then-current standards and specifications (these changes must be completed within 12 months after the Transfer or such shorter period of time we specify);

(j) you pay us a transfer fee equal to 50% of our then-current non-discounted initial franchise, reduced to $5,000 if the transferee is an existing franchisee in our System (if our broker finds the transferee, you must also reimburse any commission we pay our broker);

(k) you and your Owners sign a General Release;

(l) you agree to subordinate the transferee's financial obligations owed to you to the transferee's financial obligations owed to us pursuant to the franchise agreement (we may require you to enter into a written subordination agreement);

(m) we choose not to exercise our right of first refusal described in §20.5; and

(n) you or the transferring Owner, as applicable, and the transferee satisfy all other conditions we reasonably require as a condition to approval of the Transfer.

Our consent to a Transfer shall not constitute a waiver of any Claims we have against the transferor or our right to demand the transferee comply with all terms of the franchise agreement.

20.3. Permitted Transfers. You may engage in a Permitted Transfer without our prior approval, but you must: (a) give us at least 10 days' prior notice; and (b) upon our request, cause the former Franchisee Entity to sign a corporate guarantee in the format we require to secure performance of the new Franchisee Entity's financial obligations under all Definitive Agreements (if the Permitted Transfer results in a new Franchisee Entity). You and the Owners and transferee must sign a General Release and any documents we reasonably request to effectuate and document the Permitted Transfer.

20.4. Owner Death or Disability. Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Business or Franchisee Entity must be Transferred to another Person in compliance with §20.2 or §20.3. An Owner is deemed to have a "permanent disability" only if he/she has a medical or mental problem preventing him/her from substantially complying with his/her obligations under this Agreement or operating the Business in the manner required by this Agreement and the Manual for a continuous period of at least three (3) months.

20.5. Our Right of First Refusal. If you or an Owner wish to engage in a Transfer, you or the Owner, as applicable, must obtain and send us a bona-fide offer executed by the purchaser after completion of due diligence. We have 30 days after receiving the offer to decide whether to purchase the interest for the same price and upon the same terms contained in the offer, except we may substitute cash for any non-cash form of payment proposed in the offer. If we notify you within the 30-day period that we intend to purchase the interest, you or the Owner, as applicable, must sell the interest to us. We will have an additional 60 days to prepare for closing. You or the Owner, as applicable, must provide us with all customary representations and warranties regarding the title to and condition of the assets or Equity Interest that we purchase, or at our option, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to the terms of the offer, subject to the requirements of §20.2, including our approval of the transferee. If the sale is not completed within 120 days after we receive the offer, or there is a material change to the terms of sale, we will again have the right of first refusal specified in this Section. Our right of first refusal does not apply to Permitted Transfers.

21. TERMINATION

21.1. By You. You may terminate this Agreement if we fail to cure a material breach within 90 days after you send us a default notice specifying the nature of the breach. If you terminate pursuant to §21.1, you must still comply with your post-term obligations described in §22 (other than payment of liquidated damages) and all other obligations that survive the termination of this Agreement.

21.2. By Us. We may terminate this Agreement, effective upon delivery of a notice of termination, for any of the following reasons, all of which constitute material events of default and "good cause" for termination, and without opportunity to cure except for any cure period expressly set forth below:

(a) if you are insolvent due to your inability to pay your debts as they become due;

(b) if you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any Law, or you are the subject of an involuntary bankruptcy (which may or may not be enforceable under the Bankruptcy Act of 1978);

(c) if your EHC Business, or substantially all of its assets, are seized by a government official or taken over or foreclosed upon by a creditor, lienholder or lessor;

(d) if a final judgment against you remains unsatisfied for 30 days unless a supersedes or other appeal bond has been filed;

(e) if the Responsible Owner fails to satisfactorily complete initial training as required by §5.1;

(f) if you fail to find an approved site for your EHC Office or fail to open your EHC Business before the associated deadlines set forth in §7.1 or §7.4, respectively;

(g) if you abandon or fail to operate your EHC Business for three (3) consecutive business days unless due to Force Majeure (in which case §25.6 governs) or another reason we approve;

(h) if a Governmental Authority suspends or revokes a License required to lawfully operate the EHC Business unless the suspension/revocation is overturned within 20 days thereafter;

(i) if you operate the EHC Business in a manner that presents a health or safety hazard to your clients, employees or the public and fail to cure within 24 hours after notice from us;

(j) if your Business offers unauthorized goods or services or fails to offer required EHC Services;

(k) if you knowingly maintain false books or records;

(l) if you underreport Net Billings by at least 2% on two (2) or more occasions;

(m) if you fail to pay any amount owed to us, our affiliate or an approved or designated supplier within 10 days after demand for payment (subject to your right to dispute, in good faith, amounts owed to third-party suppliers in accordance with §11.6(d));

(n) if you fail to timely notify us of a Reportable Event in accordance with §16.6;

(o) if you (or an Owner) (i) are subject to a material administrative disciplinary action or (ii) plead no contest to, or are convicted of, a felony or other material crime;

(p) if you (or an Owner) fail to comply with a material Law applicable to your EHC Business;

(q) if you (or an Owner) commit an act that can reasonably be expected to materially and adversely affect the reputation of the System or goodwill associated with the Marks;

(r) if you (or an Owner) submit a false report or make any other material misrepresentation to us;

(s) if you (or an Owner) make an unauthorized Transfer;

(t) if you (or an Owner) use the Intellectual Property in an unauthorized manner;

(u) if you (or an Owner) breach a brand protection covenant in §15 or representation in §24.2;

(v) if an Owner (or their spouse) breaches an Owner Agreement;

(w) if you fail to achieve the Minimum Sales Criteria for five (5) or more months during any consecutive 24-month period, commencing with the 13th month after your opening date;

(x) if the lease for your EHC Office is terminated due to your default and you fail to obtain our approval of a new site for your EHC Office within 30 days of lease termination;

(y) if we send you two (2) or more default notices within a 12-month period (even if cured);

(z) if we (or our affiliate) terminate any Definitive Agreement, other than an area development agreement, due to a default committed by you (or your affiliate or an Owner); or

(aa) if you (or an Owner) breach any other provision of this Agreement, including any mandatory provision in the Manual, and fail to cure within 30 days after receipt of a default notice.

If we send you a default notice we may cease to perform our obligations under this Agreement until you cure the breach, unless our failure to perform would materially impair your ability to cure.

21.3. By Mutual Agreement. If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

22. POST-TERM OBLIGATIONS.

22.1. Obligations of You and the Owners. After the termination, expiration or Transfer of this Agreement, you and the Owners agree to:

(a) immediately cease use of the Intellectual Property;

(b) comply with all post-term covenants described in §15 or an Owner Agreement;

(c) cancel all fictitious or assumed name registrations relating to your use of the Marks;

(d) provide us with a final accounting of your EHC Business and pay us all amounts you owe including, if applicable, liquidated damages pursuant to §22.3;

(e) provide us with a list of: (i) current, former and prospective clients; and (ii) current employees;

(f) comply with our data retention policies relating to Business Data;

(g) transfer Client Data and, if we request, assign all client contracts to us or our designee, and cease all communications with current, former and prospective clients except as necessary to comply with your obligations in §22.1;

(h) provide all reasonable assistance we request to transition clients to another EHC Business;

(i) comply with our instructions to return, destroy or transfer all copies of the Manual and Copyrighted Materials and all signs, brochures, advertising and promotional materials, forms and other materials bearing the Marks or containing Confidential Information;

(j) make such modifications and alterations to the premises of your EHC Office that are necessary or that we require to prevent any association between us or the System and any business subsequently operated by you or any third party at the premises;

(k) notify all telephone, listing and domain name registration companies of the termination or expiration of your right to use: (i) any telephone numbers and/or domain names associated with your EHC Business; and (ii) any regular, classified or other telephone directory listings associated with the Marks (you hereby authorize the foregoing companies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct these companies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so); and

(l) provide us with satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Agreement.

Subsections (i), (j) and (k) do not apply if you Transfer your EHC Business to an approved transferee or we exercise our right to purchase your EHC Business. If an Owner transfers his or her entire Equity Interest in the Business or Franchisee Entity but you continue to operate the EHC Business pursuant to this Agreement, then this Section will not apply to you (or to any remaining Owner) and the former Owner is subject only to the obligations set forth in subsections (a) and (b).

22.2. Purchase Option.

(a) Generally. Upon termination or expiration of this Agreement we have the option to purchase your EHC Business and/or its assets. If we choose to exercise our purchase option, we will notify you of the assets we wish to purchase (the "Acquired Assets") within 30 days after the termination or expiration date. If we exercise our purchase option we may require that: (i) you assign your lease to us at no additional charge (if you lease the premises); or (ii) you or your affiliate enter into a lease with us upon standard and commercially reasonable leasing terms, including rent at fair rental value, for a term of 10 years or such shorter term that we specify (if you or your affiliate own the real estate). The purchase price for the Acquired Assets will be: (i) the purchase price established by the parties (if mutually agreed upon); or (ii) the Appraised Value established in accordance with §22.2(b) below. We may, at our option, assign our purchase option to a designee of our choosing.

(b) Appraisal Process. If the parties cannot agree on the purchase price, the purchase price shall be the Appraised Value established in accordance with this Section. "Appraised Value" means: (i) with respect to equipment, supplies and inventory, the lower of depreciated value or fair market value; and (ii) with respect to other tangible personal property, the depreciated value calculated on the straight-line method over a five (5) year life, less any liens or encumbrances; *provided, however*, that fair market value shall not include any value for goodwill and/or the franchise rights granted by this Agreement. The parties shall attempt to mutually agree upon a single independent appraiser. If they fail to do so, either party may demand the appointment of three (3) appraisers in accordance with the following: (i) no later than 15 days after the demand, each party shall appoint one (1) appraiser and notify the other party of the appointed appraiser's name and contact information; and (ii) no later than 30 days after the demand, the two (2) appraisers appointed by the parties will jointly appoint a third (3^{rd}) appraiser. If either party fails to appoint an appraiser within the 15-day period, then the appraiser appointed by the other party shall be deemed the single appraiser approved by the parties. You must promptly provide any documents or information requested by the appraisers. If a single appraiser is appointed, the purchase price shall be the Appraised Value established by the appraiser. If three (3) appraisers are appointed, the purchase price shall be: (i) the Appraised Value agreed upon by at least two (2) of the appraisers; or (ii) the average of the two (2) Appraised Values that are closest to each other if none of the appraisers agree upon the Appraised Value. Each party shall promptly pay 50% of the cost of the appraisal.

(c) Closing. The parties shall memorialize the acquisition by executing the form of Asset Purchase Agreement we reasonably prescribe, which shall include customary representations and warranties regarding title to and the condition of the Acquired Assets. At closing you must transfer good and clean title to the Acquired Assets, subject to any exceptions set forth in the Asset Purchase Agreement, and we must pay you the purchase price. We may deduct from the purchase price: (i) any amounts you owe us or our affiliates under Definitive Agreements including, if applicable, liquidated damages and other damages owed (other than lost profits) as a result of your breach; and (ii) the amount of any liabilities we assume on your behalf, including future rent and pre-paid liabilities (e.g., gift cards). We have 60 days after the purchase price of the Acquired Assets is established to close the transaction.

22.3. Liquidated Damages. You must pay us liquidated damages if either: (a) we terminate this Agreement due to your default; or (b) you terminate this Agreement in any manner other than as permitted by §21.1 or §21.3. Liquidated damages are calculated as the product of Average Monthly Fees multiplied by the lesser of (a) 24 or (b) the total number of full months remaining under the Term as of the termination effective date. "Average Monthly Fees" means the combined average monthly royalty fee and brand fund fee (without regard to any fee waivers or other reductions, and regardless of collection) imposed by this Agreement during the 12-month period preceding the termination date (or during the period of time you operated the Business if less than 12 months). Liquidated damages are due 30 days after we send you an invoice detailing our calculation of same. Liquidated damages are in addition to and not in lieu of: (a) any fees or other amounts incurred by you prior to the termination of this Agreement, all of which must be paid by you in accordance with the terms of this Agreement; or (b) any damages we or our affiliate incur as a result of your breach of this Agreement; *provided, however*, that we may not pursue a Claim against you for recovery of lost future profits if you pay us all liquidated damages owed when due. The parties agree the amount of liquidated damages set forth in this Section is in proportion to, and is necessary to protect, our legitimate interests, including: (a) encouraging our franchisees to commit to the 10-year franchise relationship in which both parties have already invested time and expense to develop; (b) the time and expense we will incur to ensure your timely and orderly departure from our franchise network and recruit a new franchisee to acquire franchise rights to the Territory; (c) protecting the reputation and goodwill associated with our Marks; and (d) partially compensating us for financial damages we expect to incur as a result of your breach or wrongful termination. If this liquidated damages clause is unenforceable under applicable Law, then we are only entitled to recover actual damages we incur as a result of your default or improper termination.

23. DISPUTE RESOLUTION.

23.1. **Negotiation & Mediation**. Except as otherwise provided below with respect to Excluded Claims, the parties shall attempt in good faith to resolve any Dispute through informal discussions and negotiations. Your Responsible Owner (or other Person with authority to bind you) and our President (or other officer we designate) must meet in person in an attempt to resolve the Dispute before submitting the Dispute to mediation or litigation. If these efforts are unsuccessful, either party may submit the Dispute to mediation before a mutually-agreeable mediator prior to litigation. Mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association. All negotiations and mediation proceedings (including discovery, statements and settlement offers): (a) are strictly confidential; (b) constitute "settlement negotiations" for purposes of federal and state rules of evidence; and (c) may not be admitted or used for any purpose in any court or arbitration proceeding (except evidence that would otherwise be discoverable or admissible shall not be excluded from discovery or made inadmissible simply because of its use in mediation). The mediator may not be called as a witness for any purpose in any court proceeding. Any Dispute involving Claims alleging a breach of §15, §18 and/or §22 ("Excluded Claims") is not subject to mandatory negotiation or mediation unless both parties agree otherwise.

23.2. **Litigation**. If a Dispute either (a) is not successfully resolved by mediation within 60 days after a party makes a demand for mediation or (b) involves an Excluded Claim, then either party may file a lawsuit in any state or federal court of general jurisdiction in accordance with the choice of venue provision below. The parties hereby express their clear and unequivocal intent that a court, rather than a mediator, has exclusive jurisdiction to decide the threshold issue of whether a Dispute involves an Excluded Claim (i.e., whether any Claim alleges a breach of §15, §18 or §22).

23.3. **Venue**. All mediation and litigation will take place in the county in which we maintain our principal place of business at the time the Dispute arises (currently Maricopa County, Arizona). The parties irrevocably waive any objection to such venue and consent to the jurisdiction of such courts.

23.4. **Attorneys' Fees & Costs**. If a Dispute is resolved through a judicial proceeding, the substantially prevailing party is entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees and court costs. In addition, if you or an Owner breach a Definitive Agreement, you must reimburse all reasonable legal fees and other expenses we incur as a result of the breach, regardless of whether the breach is cured prior to commencement of formal dispute resolution proceedings.

23.5. **Waivers**. ***Unless prohibited by applicable Law: (a) any Claim (other than for indemnification, payment of monies owed or an Excluded Claim) must be brought by filing a written demand for mediation (or if permitted, litigation) within one (1) year following the conduct, act, event or occurrence giving rise to the Claim, or the right to a remedy will be deemed forever waived and barred. We and you irrevocably waive: (a) trial by jury; (b) the right to litigate a Dispute on a class action basis; and (c) the right to claim for punitive, multiple, exemplary damages in connection with any Claim (other than an Excluded Claim or a Claim for indemnification).***

23.6. **Liability Limitation**. All of our obligations and liabilities arising under, or otherwise related to, a Definitive Agreement will be our sole responsibility. Similarly, each of our affiliate's obligations and liabilities arising under, or otherwise related to, a Definitive Agreement will be our affiliate's sole responsibility. You and your Owners and affiliates acknowledge and agree that: (a) no owner, officer, director, employee, independent contractor or other representative of ours or our affiliate (our "Constituents") have any personal liability to you or your Owners or affiliates as a result of any obligations or liabilities of ours or our affiliate arising under, or otherwise related to, a Definitive Agreement; (b) in connection with any Dispute, neither you nor any of your Owners or affiliates will file a Claim against, or personally name as a defendant (or in a similar capacity), any of our Constituents; and (c) your sole recourse shall be against us or our affiliate, as applicable.

24. REPRESENTATIONS.

24.1. Corporate. You and the Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, do not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the franchisee is an Entity, you and the Owners also jointly and severally represent and warrant to us that: (a) the Franchisee Entity is duly organized, validly existing and in good standing under the Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Franchisee Entity in accordance with its terms.

24.2. Anti-Terrorism. You and the Owners jointly and severally represent and warrant to us that, to the best of your and their knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Business or Franchisee Entity) or related parties is, or has ever been: (i) a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance with, and shall continue to comply with, the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

25. GENERAL PROVISIONS

25.1. Governing Law. Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Agreement and the franchise relationship are governed by the Laws of Arizona without reference to its principles of conflicts of law, but any Arizona Law that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

25.2. Relationship of Parties. Nothing in this Agreement creates a fiduciary relationship between the parties or is intended to make either party an agent, legal representative, partner or employee of the other party. Throughout the Term you must, in all dealings with third parties, conspicuously identify yourself as a franchisee and the independent owner of your EHC Business. We may require that you display a written notice of independent ownership, in the form we prescribe, at any location within your EHC Office we specify. You must also include a written indication of independent ownership on all agreements, forms, letterhead, advertising materials, business cards and other materials that we specify. Neither party may: (a) make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other; or (b) represent that our relationship is other than franchisor and franchisee. Neither party is obligated by any agreement or representation made by the other party unless expressly authorized by this Agreement.

25.3. **Severability**. Each section of this Agreement (and portion thereof) is severable. If applicable Law imposes mandatory terms that conflict with this Agreement, the terms required by such Law shall govern to the extent of the inconsistency. If a court concludes any promise or covenant in this Agreement is unreasonable or unenforceable, we or the court may modify such promise or covenant to the minimum extent necessary to make it enforceable.

25.4. **Waivers**. Each party may waive any obligation imposed on the other party in writing. Neither party is deemed to have waived or impaired any of its rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement if the other party fails to comply with such terms, by virtue of: (a) any custom or practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with any term of this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other franchisees; or (d) our acceptance of payment from you after your breach.

25.5. **Approvals**. Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request.

25.6. **Force Majeure**. Neither party is liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; *provided, however*, that Force Majeure will not excuse or permit any failure to perform for more than 180 days. If the period of non-performance exceeds 180 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.

25.7. **Binding Effect**. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor deemed, to confer any rights or remedies upon any Person not a party to this Agreement; *provided, however*, that the additional insureds listed in §16.1 and the Indemnified Parties are intended third-party beneficiaries under this Agreement with respect to §16.1 and §19, respectively.

25.8. **Integration**. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT, EXCEPT AS PERMITTED BY §11.1 AND §25.3, BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. In addition, our issuance of a Site Approval Notice is deemed to amend this Agreement to identify the approved site for your EHC Office, regardless of whether you countersign and/or return the Site Approval Notice. No email or informal electronic communication will modify this Agreement unless it is signed by both parties and expressly states it is intended to modify this Agreement. The attachments are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date, constitute the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement. As referenced above, all mandatory provisions of the Manual are part of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. 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 (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

25.9. **Good Faith Covenant**. If applicable Law implies into this Agreement a covenant of good faith and fair dealing, the covenant may not imply any right or obligation inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment to exercise this discretion based on our assessment of our own interests and balancing our interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

25.10. Rights are Cumulative. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy under this Agreement precludes any other right or remedy available to such party under this Agreement or by Law.

25.11. Survival. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement or the Transfer of an Equity Interest in the Business or Franchisee Entity remain in effect subsequent to and notwithstanding its termination, expiration or Transfer until they are satisfied in full or by their nature expire, including §14, §15, §17, §19, §22, §23 and §25.

25.12. Construction. Headings are for convenience only and do not affect the meaning of the Section. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to "including" shall be construed as references to "including, but not limited to".

25.13. Time of Essence. Time is of the essence in this Agreement and every term thereof.

25.14. Notices. All notices and notifications given under this Agreement must be in writing and must be delivered by: (a) hand delivery; (b) registered or certified air mail, postage prepaid, return receipt requested; (c) special delivery service (*e.g.*, Federal Express, DHL, UPS, *etc.*); or (d) email, in each case to the following addresses (which may be changed upon 10 business days' prior notice):

YOU:	As set forth in Part A of ATTACHMENT "A"
US:	Executive Home Care Franchising, LLC 8100 E. Indian School Rd., Suite 201 Scottsdale, Arizona 85251 Attention: Legal Department Email: Notice@executivehomecare.com

Notice is deemed given on the earliest to occur of: (i) the date delivered by hand; (ii) the third (3rd) business day after placed in the mail or provided to special delivery services in accordance with clause (b) or (c) above; or (iii) the first (1st) calendar day after sent by email.

25.15. Counterparts. This Agreement may be signed in multiple counterparts, each of which is deemed an original and all of which together constitute but one and the same document.

[Signature Page Follows]

The parties below have executed this Agreement effective as of the Effective Date first above written.*

FRANCHISOR:

Executive Home Care Franchising, LLC, a New Jersey limited liability company

By:___________________________________
Name:_________________________________
Title:__________________________________

YOU (If you are an Entity):

______________________________________,
a(n)___________________________________

By:___________________________________
Name:_________________________________
Title:__________________________________

YOU (If you are not an Entity):

____
Name:___________________________________

____
Name: __________________________________

____
Name: __________________________________

* Our delivery of a draft of this Agreement to you does not constitute an offer. This Agreement is not effective unless and until it is executed by both you and us.

ATTACHMENT "A"

TO FRANCHISE AGREEMENT

DEAL TERMS

A. Franchisee Details

Name of Franchisee: [____]

Is the franchisee one or more natural Persons signing in their individual capacity? **Yes**: _____ **No**: _____

Type of Entity and State of Formation* (if applicable): [____]

* *If the franchisee is a business Entity, each Person holding a direct or indirect Equity Interest in the Franchisee Entity, and spouse of each such Person who is a natural Person, must sign an Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect Equity Interest in the Business or Franchisee Entity, as applicable, along with a description of their Equity Interest:

Owner's Name	% Equity Interest	Direct or Indirect (if indirect, describe nature of interest)

Initial Responsible Owner: __________________________________

Notice Address: __________________________________
____
____
Attention:__________________________
Email:_____________________________

B. Initial Franchise Fee

The amount of your initial franchise fee is as follows: (franchisor to check box by appropriate amount):

____ Standard Initial Franchise Fee: $49,900 (no discount)

____ Multi-Unit Discount (Unit 2): $39,900 initial franchise fee ($10,000 discount)

____ Multi-Unit Discount (Unit 3+): $34,900 initial franchise fee ($15,000 discount)

____ Other: The initial franchise fee is: $[________________________]

C. Approved Site for EHC Office

We hereby approve the site listed below for your EHC Office.

Approved Address: [____]

* *If the site for your EHC Office has not been approved by us at the time this Agreement is signed, we will send you a Site Approval Notice in accordance with §7.1 listing the address of your approved site.*

D. Territory

Population in Territory: [______________]

Territory Fee (if applicable): [______________] (write "N/A" if not applicable)

Territory Description: Your Territory consists of, and shall be limited to, the following geographic area (as may be further depicted on a map attached below):

[____]

If the boundaries that define the Territory change during the Term, the boundaries of your Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below).

[Insert Map Below (if applicable)]

ATTACHMENT "B"

TO FRANCHISE AGREEMENT

FORM OF SITE APPROVAL NOTICE

[See Attached]

SITE APPROVAL NOTICE

Executive Home Care Franchising, LLC ("we" or "us") is issuing this Site Approval Notice (this "Notice") to ____________________________ ("you"), effective _________________, 202___, in connection with the Executive Home Care Franchise Agreement (the "Franchise Agreement") that we executed with you on _____________, 202___. The purpose of this Notice is to confirm our approval of the site you proposed for your EHC Office.

Approved Address:

Pursuant to §7.1 of the Franchise Agreement, we hereby approve the site listed below as the approved site for your EHC Office:

____
____
____

* * *

By signing below, you and we agree that the address identified in this Notice shall be deemed the approved site for your EHC Office established and operated pursuant to the Franchise Agreement. You acknowledge and agree that our acceptance of the site you proposed is in no way a representation by us that your site will be successful. Rather, our acceptance merely indicates the site meets our minimum standards and requirements.

We request that you sign below and send us an executed copy of this Notice to acknowledge your receipt. However, your failure or refusal to sign below will not invalidate or otherwise affect our designation of the approved site for your EHC Office. Our designation of your approved site, as set forth in this Notice, shall be binding on you effective as of the effective date listed in the first paragraph in this Notice.

Franchisor	**Franchisee**
Executive Home Care Franchising, LLC	______________________________
By:____________________________	By:____________________________
Name:__________________________	Name:__________________________
Title:___________________________	Title:___________________________
Date:___________________________	Date:___________________________

ATTACHMENT "C"

TO FRANCHISE AGREEMENT

LEASE ADDENDUM

[See Attached]

LEASE ADDENDUM

This Lease Addendum (this "Agreement") is executed as of ___________, 202__ by and among Executive Home Care Franchising, LLC, a New Jersey limited liability company ("Franchisor"), [_____________], a(n) [_____________], with principal offices located at [_____________] ("Landlord"), and [_____________], a(n) [_____________], with principal offices located at [_____________] ("Tenant").

Background

A. On [___________], 202[__], Franchisor and Tenant executed an Executive Home Care Franchise Agreement (the "Franchise Agreement"), pursuant to which Franchisor granted Tenant the right and obligation to develop, open and operate an EXECUTIVE HOME CARE® business from the premises described in Exhibit "A" (the "Premises").

B. Concurrently with the execution of this Agreement, Landlord and Tenant are executing a lease agreement (the "Lease"), pursuant to which Landlord will lease the Premises to Tenant.

C. To protect Franchisor's rights and interests under the Franchise Agreement, Landlord agrees to grant certain rights to Franchisor as set forth below.

Agreement

1. Default Notices. Landlord agrees to provide Franchisor with copies of all written default notices sent to Tenant at the same time such notices are sent to Tenant. Landlord agrees to send such copies to Franchisor by email and registered mail as set forth below (Franchisor may change the notice email and address from time to time by sending written notice to Landlord):

   Executive Home Care Franchising, LLC
   8100 E. Indian School Rd., Suite 201
   Scottsdale, Arizona 85251
   Attention: Legal Department
   Email: Notice@executivehomecare.com

2. Right to Cure and/or Assign. If Tenant defaults under the Lease, Franchisor has the right (but not the duty) to: (a) cure such default within 15 days after Tenant's cure period expires; and (b) immediately commence occupancy of the Premises as the tenant under the Lease. At any time, including, without limitation, upon the expiration or termination of the Franchise Agreement, Tenant may assign the Lease to Franchisor.

3. Expiration or Termination of Franchise Agreement. Landlord agrees the expiration or termination of the Franchise Agreement constitutes a default under the Lease, giving Franchisor the right, but not the obligation, to cure such default by succeeding to Tenant's interests under the Lease in accordance with §2.

4. Lease Assignment. Landlord agrees Franchisor may succeed to Tenant's interests under the Lease (and Tenant may assign the Lease to Franchisor) under the circumstances described in §2 or §3 without Landlord approval provided that: (a) Franchisor satisfies Landlord's minimum financial criteria for tenants; and (b) Franchisor notifies Landlord in writing at the time Franchisor assumes the Lease. Franchisor may subsequently assign the Lease to another EXECUTIVE HOME CARE® franchisee or to an entity owned and/or controlled by Franchisor, subject to Landlord's prior written approval of the assignee, which approval shall not be unreasonably withheld or delayed.

5. Acknowledgment of Rights. Landlord acknowledges Franchisor's rights under the Franchise Agreement to enter the Premises, without being guilty of trespass or any other tort or crime, to: (a) make any modifications or alterations to the Premises that Franchisor deems necessary to protect its franchise system or trademarks; and (b) remove any trade fixtures, interior or exterior signs and other items bearing Franchisor's trademarks or service marks upon the expiration or termination of the Franchise Agreement.

6. Miscellaneous.

   (a) In the event of any inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement control.

   (b) All of the terms of this Agreement, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns.

(c) This Agreement may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Agreement and making specific reference to this Agreement.

(d) This Agreement may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

In witness whereof, this Agreement has been executed the date and year first above written.

FRANCHISOR:

Executive Home Care Franchising, LLC, a New Jersey limited liability company

By:___________________________________
Name:_________________________________
Title:__________________________________

LANDLORD:

_______________________, (a)n ________
____

By:___________________________________
Name:_________________________________
Title:__________________________________

TENANT:

__________________________, (a)n _____
____

By:___________________________________
Name:_________________________________
Title:__________________________________

EXHIBIT “A” TO LEASE ADDENDUM

DESCRIPTION OF PREMISES

[____]

ATTACHMENT "D"

TO FRANCHISE AGREEMENT

<u>OWNER AGREEMENT</u>

[See Attached]

OWNER AGREEMENT

This Owner Agreement (this "Agreement") is entered into by: (a) each of the undersigned Owners of Franchisee (defined below); and (b) the spouse of each such Owner who is a natural Person, in favor of Executive Home Care Franchising, LLC, a New Jersey limited liability company, and its successors and assigns ("us"). Each signatory to this Agreement is referred to as "you".

1. **DEFINITIONS**. Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Franchise Agreement:

   "*Franchise Agreement*" means the Executive Home Care Franchise Agreement executed by Franchisee with an effective date of ____________________, 202__.

   "*Franchisee*" means ______________________.

   "*Restricted Period*" means the two-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity; *provided however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Restricted Period means the one-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity.

2. **BACKGROUND**. In your capacity as an Owner (or the spouse of an Owner) you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and you could seriously jeopardize our franchise system if you were to unfairly compete with us or misuse our Intellectual Property. In addition, you understand that certain terms of the Franchise Agreement apply to "Owners" and not just Franchisee. You agree to comply with this Agreement to: (a) avoid damaging our System by engaging in unfair competition; and (b) bind yourself to the terms of the Franchise Agreement applicable to Owners.

3. **BRAND PROTECTION COVENANTS**.

   (a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any capacity or for any purpose other than the operation of Franchisee's EHC Business in compliance with the Franchise Agreement and Manual; (ii) maintain the confidentiality of the Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are (or your spouse is) no longer an Owner. You must assign to us or our designee, without charge, all rights to any Improvement you develop, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, you must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.

   (b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are (or your spouse is) an Owner; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located (and does not operate) within the Restricted Territory. If you engage in any Prohibited Activity during the Restricted Period (except as permitted by this Section) your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will not constitute a waiver of your breach or impair any of our rights or remedies relating to your breach. For purposes of clarity, you remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Restricted Period under this Agreement, and the expiration of the Restricted Period under this Agreement does not diminish your obligation to comply with such other covenants.

(c) Family Members. You could circumvent the purpose of §3 by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member: (i) engages in a Prohibited Activity at any time you are prohibited from doing so; or (ii) uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

(d) Covenants Reasonable. You agree that: (i) the covenants in §3 are reasonable in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with these covenants. Although you and we believe the covenants in §3 are reasonable we may, upon written notice to you, unilaterally modify the brand protection covenants in §3 of this Agreement by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under §3 of this Agreement to ensure the covenants are enforceable under applicable Law.

(e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

4. **TRANSFER RESTRICTIONS**. We must approve all Persons who own an Equity Interest in the Business or Franchisee Entity. If you are an Owner, you agree that you will not Transfer an Equity Interest in the Business or Franchisee Entity except in accordance with §20 of the Franchise Agreement.

5. **FINANCIAL SECURITY**. In order to secure Franchisee's financial obligations under the Franchise Agreement and other Definitive Agreements (the "Secured Agreements") you hereby personally and unconditionally: (a) guarantee to us and our successors and assigns, that Franchisee shall punctually fulfil all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements. You waive: (i) acceptance and notice of acceptance by us of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness guaranteed; (iii) protest and notice of default to any party with respect to the indebtedness guaranteed; (iv) any right you may have to require that an action be brought against Franchisee or any other Person as a condition of liability; and (v) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed. You agree that: (a) your direct and immediate liability under this guaranty is joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Secured Agreements upon demand if Franchisee fails to promptly do so; (c) your liability is not contingent or conditioned upon our pursuit of any remedies against Franchisee or any other Person; and (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence we grant to Franchisee or any other Person, including the acceptance of any partial payment or performance, or the compromise or release of any Claims, none of which shall in any way modify or amend this guarantee, which remains continuing and irrevocable during the term of each Secured Agreement and following the termination, expiration or transfer of each Secured Agreement to the extent any financial obligations under a Secured Agreement survive such termination, expiration or transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy of Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, released or limited in any manner whatsoever by any impairment, modification, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S.

Bankruptcy Act or other statute, or from the decision of any court or agency.

6. **REPRESENTATION**. You represent to us that you received a copy of the executed Franchise Agreement.

7. **DISPUTE RESOLUTION**. Any Dispute between the parties relating to this Agreement shall be resolved in accordance with the dispute resolution provisions in the Franchise Agreement, which are incorporated into this Agreement by reference as if fully set forth herein. **You acknowledge and agree that your breach of this Agreement constitutes a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.**

8. **MISCELLANEOUS**.

   (a) If either party hires an attorney or files suit against the other party for breach of this Agreement, the losing party must reimburse the prevailing party for its reasonable attorneys' fees and costs.

   (b) This Agreement is governed by Arizona Law.

   (c) Any Claim or defense you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

   (d) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.

   (e) We may deliver to you any notice contemplated by this Agreement in the same manner and to the same address listed in the notice provision of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

Each of the undersigned has executed this Agreement as of the date or dates set forth below.

OWNER / SPOUSE

By:______________________________

Name:____________________________

Date:_____________________________

OWNER / SPOUSE

By:______________________________

Name:____________________________

Date:_____________________________

OWNER / SPOUSE

By:______________________________

Name:____________________________

Date:_____________________________

ATTACHMENT "E"

TO FRANCHISE AGREEMENT

ACH AUTHORIZATION FORM

[See Attached]

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
Bank Account No.	☐ Checking ☐ Savings (check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city, state, zip)		Bank Phone No.

Authorization:

Franchisee hereby authorizes Executive Home Care Franchising, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature:____________________________ Date:________________________

Name:____________________________

Title:____________________________

Federal Tax ID Number:____________________

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

ATTACHMENT "F"

TO FRANCHISE AGREEMENT

<u>TRADENAME APPROVAL NOTICE</u>

[See Attached]

TRADENAME APPROVAL NOTICE

Executive Home Care Franchising, LLC, a New Jersey limited liability company ("we" or "us") is issuing this Tradename Approval Notice (this "Notice") to [_______________________________________] ("you"), effective [_________________], 202[___], in connection with the Executive Home Care Franchise Agreement executed by you and us on [_________________], 202[___] (the "Franchise Agreement"). The purpose of this Notice is to confirm our approval of the tradename you have proposed. Capitalized terms not defined in this Notice have the meanings given to them in the Franchise Agreement.

Approved Tradename:

Pursuant to §18.4 of the Franchise Agreement, we hereby approve the following tradename for your use in connection with the EHC Business you develop and operate pursuant to the Franchise Agreement:

EXECUTIVE HOME CARE OF [________________________]

By signing below, you agree that the tradename identified in this Notice will be your approved tradename and you will not use any other tradename without our prior written approval. You are responsible for submitting any fictitious name filing that may be required by the Laws of your state. Upon the termination, expiration or Transfer of the Franchise Agreement, you must surrender the tradename and cancel any associated fictitious name filing.

You understand and acknowledge that: (a) our tradename review and approval process will be performed in accordance with our then-current tradename selection procedures and criteria; (b) we may approve tradenames for other franchisees that have similarities in terms of geographic or other descriptors; and (c) you are not granted any exclusivity or protections with respect to tradenames. Accordingly, you waive any claims you may have against us or against any other franchisee based upon any tradename you propose and we approve.

You must sign below and send us an executed copy of this Notice to acknowledge your receipt. You have no right to use the tradename listed above until you have sent us a fully-executed copy of this Notice.

Franchisor	**Franchisee**
Executive Home Care Franchising, LLC	[______________________________]
By:_____________________________	By:_____________________________
Name:___________________________	Name:___________________________
Title:___________________________	Title:___________________________

EXHIBIT "D"

TO DISCLOSURE DOCUMENT

OTHER AGREEMENTS

EXHIBIT "D"-1

<u>STATE ADDENDA</u>

[See Attached]

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS,

AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR

Executive Home Care Franchising, LLC

BACKGROUND AND PURPOSE

The following modifications are made to the Executive Care Your Home Care Company® Franchise Disclosure Document ("FDD" or "Disclosure Document") issued by Executive Home Care Franchising, LLC ("we" or "us" or "franchisor") to franchisee ("you" or "franchisee") and may supersede, to the extent required by applicable state law, certain portions of the Franchise Agreement between you and us dated __________________________, 202__ (the "Franchise Agreement"). When the term "Supplemental Agreements" is used, it means any area development agreement, area representative agreement, master franchise agreement, or similar agreement entered into between us and you, if applicable.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement, Supplemental Agreements and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the applicable state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum (but only the State Addendum for the applicable State) will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements. If you sign this State Addendum, only the terms applicable to the state or states whose franchise laws apply to your transaction will govern. If you sign this State Addendum, but none of the state franchise laws listed above applies because their jurisdictional requirements have not been met, then this State Addendum will be void and inapplicable to you.

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

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

1. The franchisor, any person or franchise broker in Item 2 of the FDD is (or not) subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

2. Item 6 of the FDD is hereby amended to include the following disclosure: "The highest interest rate allowed in California is 10% annually."

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

4. 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.).

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

6. The franchise agreement requires application of the laws of Arizona. This provision may not be enforceable under California law.

7. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

8. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 Through 31516). Business and Professions Code Section 20010 Voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

9. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

10. Item 19 of the FDD shall be amended to include the following disclosure:

"The financial performance representation does not reflect the costs of sales, 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. 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."

Item 1

California Corporate Practice of Medicine Prohibition / Additional Disclosures:
Corporate Practice of Medicine.

California prohibits the corporate practice of medicine. In California, the Medical Board of California defines the Corporate Practice of Medicine as follows:

- Business and Professions Code, Section 2052 states that practicing medicine without a valid license is unlawful.

- Section 2400 states that "[c]orporations and other artificial entities shall have no professional rights, privileges, or powers."5 6 7 These statutes together are interpreted as a ban on corporations practicing medicine by employing physicians because corporations and other artificial entities are not granted licenses and therefore have no professional rights, privileges, and powers. Courts, California Attorneys General, and the legislature have since determined how this statute would apply to the practice of medicine.

According to the Medical Board of California, limitations on the rights, privileges, and powers of corporate and other artificial entities are intended to prevent unlicensed persons from interfering with or influencing the physician's professional judgment. The reasoning behind this intention is that corporations cannot have the training, education, and personal characteristics that are needed to receive a medical license. In addition, corporations are unable to develop the relationship of trust and confidence that is necessary for the relationship between a professional and patient or client. Similarly, a corporation must not employ physicians because the physician's acts would then be attributable to the unlicensed employer.

According to the Medical Board of California, each of the following activities is defined as practicing medicine and is therefore restricted to licensed physicians:

- Decisions concerning diagnostic tests for a particular condition
- Determining whether to refer to or consult with another physician/specialist
- Assuming responsibility for the overall care of the patient, including available treatment options
- Determining how many patients a physician must see or how many hours a physician must work in a given period.

In addition, only licensed physicians may make business or management decisions and engage in activities that result in control over a physician's practice of medicine. Examples of these restricted activities include, but are not limited to:

- Ownership and control over patient medical records and their contents
- Making clinical competency or proficiency determinations for selecting, hiring, and firing physicians, allied health staff, and medical assistants
- Setting the parameters under which physicians contract with third-party payers
- Decisions regarding coding and billing procedures
- Selecting medical equipment and medical supplies.

These types of decisions and activities may not be delegated to an unlicensed person, including management service organizations. Although a physician may consult with unlicensed persons in making such business or management decisions, the physician must retain the ultimate responsibility for those decisions.

Under California law, only licensed physicians may operate a business advertising, offering and/or providing patient evaluation, diagnosis, care and/or treatment.

Accordingly, you are not permitted to offer or provide any of these services in connection with the operation of the Franchised Business.

Home Care Services Consumer Protection Act of 2013

Pursuant to California's Home Care Services Consumer Protection Act of 2013, home health care agencies that provide non-medical home care are required to conduct background checks on workers, provide five hours of training, list aides in an online registry and obtain a license certifying their compliance with basic standards.

You are not permitted, nor shall you permit any of your care providers, to offer skilled medical care or to administer. Please refer to Attachment A for a list of other California laws that may apply to your franchise.

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.

In registering this franchise, the California Department of Financial Protection and Innovation has not reviewed, and makes no statements concerning, the franchisor's compliance with state and federal licensing and regulatory requirements relating to the practice of medicine or any other health care You should consult with your attorney concerning these laws, regulations, and ordinances that may affect the operation of your business. If the California Medical Board, or any other agency overseeing the practice of medicine in this state, determines that the operation of the franchise fails to comply with state law, the franchisor may be required to cease operations of the franchised business in California. This may result in the termination of your franchise and loss of your investment.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

APPENDIX A TO CALIFORNIA ADDENDUM
LIST OF ADDITIONAL CALIFORNIA LAWS

Below is a list of other California laws that may apply to your franchise. We do not provide assistance in determining which specific federal, state or local laws apply to the operation of the franchised business. It is critical that you determine the applicability of these and other laws, and whether you are qualified to own and operate a franchised business before you purchase a franchise.

1. California Employment, Employment Counseling and Job Listing Services Act (Cal. Civil Code §§ 1812.500 – 1812.544).
   - Sections 1812.524 – 1812.533 apply specifically to Nurses' Registries.
   - Sections 1812.540 – 1812.544 apply specifically to Long-Term Care Facilities

   a. Nurses Registry:

      A nurses' registry that makes or plans to make referrals for nurses' employment other than private duty nursing (as defined) must comply with the general provisions of the Employment Agency, Employment Counseling and Job Listing Services Act (Cal. Civil Code § 1812.524(b)).

      Bonds for Nurses' Registry. (*See* Cal. Civil Code §1812.525)

      Contracts With Private Duty Nurses. Nurses' registries may enter into a continuing contract with private duty nurses covering the assignment of such nurses by the nurses registries. The continuing contract must meet the requirements of Cal. Civil Code §1812.526.

      Fees. (*See* Cal. Civil Code. §1812.527)

      Verification of Qualifications. It is the duty of a nurses' registry to verify in writing any claims as to experience or training listed on an application for the use of the services of a nurses' registry, and to keep a file of such records. It is the duty of the person interviewing the jobseeker to require the jobseeker to exhibit his or her license as issued by the Board of Registered Nursing or the Board of Vocational Nurse and Psychiatric Technician Examiners. (Cal. Civil Code §1812.528).

      Log Sheets and Other Records. Each nurses' registry must maintain true and correct permanent log sheets and other records disclosing certain information concerning each assignment of a nurse. (Cal. Civil Code §1812.529).

      Restrictions on Acceptance of Fees. (See Cal. Civil Code §1812.530)

      Fee Splitting. No nurses' registry shall divide fees with any physician or surgeon, nurse, hospital, patient, or any agent or employee of any of these. (*See* Cal. Civil Code § 1812.531)

      Repayment of Fees and Expenses. If a nurses' registry collects from a nurse a fee or expenses for an assignment, and the nurse fails to obtain such assignment or is not paid for such assignment, the nurses' registry must repay any fee or expense so collected, and unless such repayment is made within a statutory period of time after demand, the nurses' registry must pay a double amount. (*See* Cal. Civil Code §1812.532).

      Advertisements & Records. (*See* Cal. Civil Code §1812.533)

   b. Long Term Care Facilities:

      Requirements of Agency Referring Temporary Certified Nurse Assistants. (See Cal. Civil Code §1812.541)

2. Requirements of Agency Referring Temporary Licensed Nursing Staff (See Cal. Civil Code §1812.521)

3. Adoption of Policies and Procedures. (See Cal. Civil Code §1812.543).

4. Advertising Records; Advertising Restrictions; Complaint Referral Procedure. (See Cal. Civil Code §1812.544).

5. Duty of Employer (including staffing agency) to Ascertain Nurse's Current Authority to Practice (Cal. Bus. & Prof. Code §2732.05)

6. Licensing of Private Duty Nursing Agencies (Cal. Bus. & Prof. Code §§ 1743 – 1743.37 *California repealed the licensing provisions for employment agencies and nurses' registries.*

7. Licensing of Home Health Agencies – Regulated by the California Department of Public Health (Cal. Health & Safety Code §§1725 – 1742; Cal. Code Regs. Title 22 §§74600- 74749). These provisions include mandated health safeguards required under state and federal regulations.

   a. Infections Control Plan. (See Cal. Code Regs. Title 22 §§ 74721(c)(4), 74725, 74727)

   b. Tuberculosis Exposure Control Plan. (See Cal. Code Regs. Title 22§§ 74721(c)(4), 74725, 74723)

   c. Bloodborne Pathogens Exposure Control Plan and Hepatitis B Exposure Plan (See Cal. Code Regs. Title 22§§ 74721(c)(4), 74723)

   d. OSHA Recordkeeping (See Cal. Code Regs. Title 22§§ 74721(c)(4), 74723)

   e. Occupational Exposure Information and Training. (See Cal. Code Regs. Title 22§§74721(c)(4))

   f. Standard Precautions (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   g. Personal Protective Equipment (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   h. Hand Hygiene. (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   i. Clean vs Aseptic Technique (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   j. Infection Control / Isolation Precautions (See Cal. Code Regs. Title 22§§

   k. Contaminated / Hazardous Waste Materials Disposition (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   l. Bag Technique (Prevention of Cross – Contamination). (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   m. Evaluating and Maintaining Records of Infections Among Personnel. (See Cal. Code Regs. Title 22§§74721(c)(4))

   n. Reporting of Communicable Diseases. (See Cal. Code Regs. Title 22§§ 74721(c)(4), 74725, 74727)

   o. Pandemic Influenza Preparedness. (See Cal. Code Regs. Title 22§§ 74721(c)(4))

   p. Environmental Safety – Patient (See Cal. Code Regs. Title 22§§ 74721(c)(1)(8))

   q. Hazardous Waste Handling (See Cal. Code Regs. Title 22§§ 74693)

   r. Emergency Management Plan. (See Cal. Code Regs. Title 22§§ 74721(c)(1))

8. Financial Management (See Cal. Code Regs. Title 22§§ 47417). These provisions include requirements relating to operating budget, billing and collection, accounts receivable and payable, payroll processing and bad debt.

   a. Change Verification (See Cal. Code Regs. Title 22§§ 47417)

b. Billing and Collections (See Cal. Code Regs. Title 22§§ 47417)

c. Accounts Receivable Review (See Cal. Code Regs. Title 22§§ 47417)

d. Bad Debt Policy (See Cal. Code Regs. Title 22§§ 47417)

e. Cash Receipts (See Cal. Code Regs. Title 22§§ 47417)

f. Purchasing Authorization and Accounts Payable (See Cal. Code Regs. Title 22§§47417)

g. Fixes Assets and Depreciation (See Cal. Code Regs. Title 22§§ 47417)

h. Payroll Processing (See Cal. Code Regs. Title 22§§ 47417)

i. Allocation of Time Worked. (See Cal. Code Regs. Title 22§§ 47417)

j. Annual Operating Budget (See Cal. Code Regs. Title 22§§ 47417)

k. Financial Management and Control (See Cal. Code Regs. Title 22§§ 47417)

l. Fiscal Solvency (See Cal. Code Regs. Title 22§§ 47417)

m. Financial Reports (See Cal. Code Regs. Title 22§§ 47417)

n. Fee Determination (See Cal. Code Regs. Title 22§§ 47417)

9. Referral Prohibitions (Speier Bill) (Cal. Bus & Prof. Code §650.01) NOTE: This is similar to the federal Stark law and prohibits referrals to certain health care providers if the practitioner or immediate family member has a financial interest.

10. California Anti-Kickback/Anti-Fee Splitting Statute (Cal. Bus & Prof. Code §650)

11. Medical Referral Services - (Cal. Health & Safety Code §445) NOTE: This is a criminal statute related to Anti-Kickback Statute, which prohibits anyone from referring or recommending a person, "for profit", to a physician, hospital, health-related facility or dispensary, for "any type of medical care or treatment of any ailment or physical condition."

HAWAII

1. The following is added to the Cover Page:

   THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

   THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

   THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

2. Our registered agent in the state authorized to receive service of process:

   Commissioner of Securities of the State of Hawaii
   Department of Commerce and Consumer Affairs
   Business Registration Division
   335 Merchant Street, Room 203
   Honolulu, Hawaii 96813

3. The states in which this filing is effective are listed on the Exhibit to the FDD titled "State Effective Dates".

4. The states in which this filing is or will be shortly on file include the following: California, Hawaii, Illinois, Indiana, Maryland, Minnesota, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

5. The states, if any, which have refused, by order or otherwise, to register these franchises include the following: None.

6. The states, if any, which have revoked or suspended the right to offer these franchises include the following: None.

7. The states, if any, in which the filing of these franchises has been withdrawn include the following: None.

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act. any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act. any condition. stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705/1 to 705/45, and Ill. Admin. Code tit. 15, §200.100 et seq., the parties to the attached Executive Home Care Franchising, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Illinois law governs the Franchise Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Illinois Franchise Agreement Amendment on the same date as the Franchise Agreement was executed.

FRANCHISOR:
Executive Home Care Franchising, LLC

By: ____
Title: ______________________________________
Signature: __________________________________

FRANCHISEE:

By: ____
Title: ______________________________________
Signature: __________________________________

INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1(9).

6. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.

7. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[Signature page follows at end of exhibit]

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg., §§ 14-201 through 14-233, the Franchise Disclosure Document for Executive Home Care Franchising, LLC ("EHCF") for use in the State of Maryland shall be amended as follows:

1. Item 5 shall be amended to include the following language:

   "All initial fees and other payments to be paid to the EHCF by the franchisee before the business opens, including payments for goods and services received from EHCF, shall be deferred pending EHCF's satisfaction of all of its pre-opening obligations to the franchisee."

2. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language:

   "The general releases required for renewal or transfer will not apply with respect to any claim you may have which arises under the Maryland Franchise.

   Registration and Disclosure Law. See Maryland Disclosure Addendum Exhibit A below for additional information regarding the release.

   Except with respect to claims arising under the Maryland Franchise Registration and Disclosure Law, the Franchise Agreement permits you to sue only in the jurisdiction in which we maintain our principal place of business.

   Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

   The Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language to the summary of Provision "h":

   "Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq."

4. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language to the summary of Provisions "v" and "w":

   ", except for claims arising under the Maryland Franchise Registration and Disclosure Law."

5. Section 6.1 of the Franchise Agreement is hereby amended to include the following provision:

   "Deferral of Initial Franchise Fees. Immediately upon Executive Care's satisfaction of its pre-opening obligations to you, you shall pay to Executive Care in cash or another form of payment that will make the funds immediately accessible to Executive Care, such as cashier's check or wire transfer, an initial franchise fee of $49,900)."

6. Each provision of this addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg. §§ 14-201 through 14-233) are met independently without reference to this addendum to the Disclosure Document.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise

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

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg., §§ 14-201 through 14-233, the Executive Home Care Franchising, LLC ("EHCF") Franchise Agreement for use in the State of Maryland shall be amended as follows:

1. Under Section 4.6 of the Agreement, under the heading "Term And Renewal," the subsection 4.6.2 (f) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

    4.6.2 (f) You and any Related Parties that are parties to this Agreement have

    signed a mutual general release of claims in a form satisfactory to EHCF with respect to past dealings with EHCF and its Related Parties; excluding only such claims as you may have under the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg. §§ 14-201 through 14-233);"

2. Section 6.1 of the Franchise Agreement is hereby amended to include the following provision:

    "<u>Deferral of Initial Franchise Fees.</u> Immediately upon Executive Care's satisfaction of its pre-opening obligations to you, you shall pay to Executive Care in cash or another form of payment that will make the funds immediately accessible to Executive Care, such as cashier's check or wire transfer, an initial franchise fee of $49,900."

3. Under Section 9 of the Agreement, under the heading "Resale of Franchise," the subsection 9.3.1 (h) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

    9.3.1 (h) You and your Related Parties' signing of a mutual general release of claims with EHCF and its Related Parties; excluding only such claims as the

    you/transferor may have under the Maryland Franchise Registration and

    Disclosure Law (Md. Code Bus. Reg. §§ 14-201 through 14-233);"

4. Sections 11.2.1 and 11.2.2, and 11.12 of the Agreement shall be amended by the following statement at the end of the last sentence of each provision, respectively:

    11.2.1 ; except with respect to claims arising under the Maryland Franchise Registration and Disclosure Law.

    11.2.2 ; except with respect to claims arising under the Maryland Franchise Registration and Disclosure Law.

    11.13 ; except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg. §§ 14-201 through 14233) shall be commenced within three (3) years from the grant of the franchise.

5. Section 12 of the Agreement, under the heading "Miscellaneous Provisions," shall be supplemented by the following new subsection 12.8:

    12.8 Any foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

6. Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg. §§ 14-201 through 14-233) are met independently without reference to this addendum.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Maryland Franchise Agreement Amendment on the same date as the Franchise Agreement was executed.

FRANCHISOR:
Executive Home Care Franchising, LLC

By: ____
Title: ____
Signature: ____

FRANCHISEE:

By: ____
Title: ____
Signature: ____

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

ADDITIONAL RISK FACTORS:

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

In recognition of the requirements of the Minnesota Franchise Act, the Franchise Disclosure Document for Executive Home Care Franchising, LLC for use in the State of Minnesota shall be amended as follows:

3. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

5. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

6. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

7. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

8. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

In recognition of the requirements of the Minnesota Statutes, Chapter 80C. and Minnesota Franchise Rules, Chapter 2860, the parties to the attached Executive Home Care Franchising, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Under Section 4.6 of the Agreement, **Term And Renewal**, the subsection 4.6.2 (f) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

   4.6.2 (f) You and any Related Parties that are parties to this Agreement have signed a mutual general release of claims in a form satisfactory to Executive Home Care Franchising, LLC with respect to past dealings with Executive Home Care Franchising, LLC and its Related Parties; provided, however, that all rights enjoyed by you and any causes of action arising in its favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given one hundred eighty (180) days' notice of nonrenewal of this Agreement by Franchisor.

2. Under Section 7.1.4, **Legal Protection**, the following is added:

   Franchisor agrees to protect Franchisee, to the extent required by the Minnesota Franchise Act, against claims of infringement or unfair competition with respect to Franchisee's use of the Marks when, in the opinion of Franchisor's counsel, Franchisee's rights warrant protection pursuant to Section 8.5 of this Agreement.

3. Under Section 9.3, **Consent by Executive Care; Right of First Refusal**, the following is added:

   Franchisor shall not unreasonably withhold consent to transfer the franchise agreement.

4. Under Section 9, **Transfer of Franchise**, the subsection 9.3.1 (h) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

   9.3.1 (h) You and your Related Parties' signing if a mutual general release of claims with Executive Home Care Franchising, LLC and its Related Parties; provided, however, that all rights enjoyed by the you/transferor and any causes of action arising in its favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of Minnesota Rules 2860.4400(D) be satisfied;

5. Under Section 10.2.1, **Immediate Termination upon Notice of Default**, the following is added:

   Section 10.2.1 will not be enforced to the extent prohibited by applicable law.

6. Under Section 10.2.2, **Termination after Five Days' Notice to Cure**, the following is added:

   Section 10.2.2 will not be enforced to the extent prohibited by applicable law.

7. Section 10.2.3, **Termination after Thirty Days' Notice to Cure**, will be amended to replace thirty (30) days with sixty (60) days and the following will be added:

   Minnesota law provides a franchisee with certain termination rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given ninety (90) days' notice of termination (with sixty days to cure) of this Agreement.

8. Under Section 11.2.1, the following is added:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

9. Under Section 11.2.2, the following is added:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

10. Under Section 11.13, **Limitation of Actions**, the following is added:

Under the Minnesota Franchise Act, any claims between the parties must be commenced within three years of the occurrence of the facts giving rise to such claim, or such claim shall be barred.

11. Under Section 11.12.1, Jury Trial, the following is deleted:

WAIVER OF JURY TRIAL. EXECUTIVE CARE AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO ANY CLAIM, INCLUDING ANY COUNTERCLAIMS, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

12. Section 12 of the Agreement, Miscellaneous, shall be supplemented by the addition of the following new subsection 12.12:

12.12 Nothing in this Agreement should be considered a waiver of any right conferred upon you by Minnesota Franchise Act.

13. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Minnesota amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed.

FRANCHISOR:
Executive Home Care Franchising, LLC

By: ____
Title:____
Signature: ____________________________________

Delivery Address: Executive Home Care Franchising, LLC
8100 E. Indian School Street, Suite 201
Scottsdale, AZ 85251

FRANCHISEE:

By: ____

Title:____
Signature: ____________________________________
Address: _____________________________________

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

   Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

   A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

   C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee": "You may terminate the agreement on any grounds available by law."

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

AS REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW

Notwithstanding anything to the contrary set forth in the Executive Home Care Franchising, LLC Franchise Disclosure Document, the following provisions shall supersede any inconsistent provisions and apply to all *Executive Care, Your Home Care Company*® franchises offered and sold in the state of North Dakota:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your *Executive Care, Your Home Care Company* ® franchised business will be operated in North Dakota.

1. Section 4.6.2(f) of the Franchise Agreement is hereby amended by the addition of the following language that appears therein:

> Provisions requiring North Dakota franchisees to sign a general release upon renewal of the franchise agreement are not enforceable in North Dakota.

2. Section 6.1 of the Franchise Agreement is hereby amended to include the following language:

> "The North Dakota Securities Department (the "Department") has determined that the financial condition of the franchisor, Executive Home Care Franchising, LLC ("EHC") is not adequate to fulfill its obligations to franchisees at this time. Accordingly, the franchisee's obligation to pay the initial franchise fee shall be deferred until the franchisee is open for business. Section 6.1 of the Franchise Agreement is hereby amended accordingly."

3. Section 10.3(k) of the Franchise Agreement is hereby amended to include the following provision:

> Provisions requiring North Dakota Franchisees to consent to termination or liquidated damages are not enforceable in North Dakota.

4. Section 8.6 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> Covenants not to compete such as those mentioned above are generally considered unenforceable in the state of North Dakota.

5. Section 11.2.1 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> The provision requires that the franchisee consent to the jurisdiction of courts in Arizona. This requirement is deleted from all Franchise Agreements used in the State of North Dakota.

6. Section 11.2.1 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> For North Dakota Franchisees, North Dakota law shall apply.

7. Section 11.7 of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

> For North Dakota franchises, arbitration will be agreeable to all parties and may not be remote from the franchisee's place of business.

8. Section 11.12.1 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> Provisions requiring a franchisee to consent to a waiver of trial by jury are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

9. Section 11.12.2 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

10. Section 11.13 of the Franchise Agreement is hereby amended by the addition of the following language to the original language that appears therein:

> Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply.

FRANCHISOR:
Executive Home Care Franchising, LLC

By: ______________________________
Title: ______________________________
Signature: ______________________________

FRANCHISEE:

By: ______________________________
Title: ______________________________
Signature: ______________________________

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information supersedes on supplements, as the case maybe, the corresponding disclosures in the main body of the text of the EXECUTIVE HOME CARE FRANCHISING, LLC Franchise Disclosure Document.

1. Items 5 & 7 are hereby amended to include the following:

> "The North Dakota Securities Department (the "Department") has determined that the financial condition of the franchisor, Executive Home Care Franchising, LLC ("EHC") is not adequate to fulfill its obligations to franchisees at this time. Accordingly, the franchisee's obligation to pay the initial franchise fee shall be deferred until the franchisee is open for business."

2. Item 17 is amended by the addition of the following language to the original language that appears therein;

a. Any provision requiring a franchisee to sign a general release upon renewal of the franchise agreement has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

b. Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

c. Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

d. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

e. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

f. Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

g. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

h. Any provision in the Franchise Agreement which requires a franchisee to mediate or arbitrate at a location remote from the site of the franchisee's business has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law.

i. Any provision in the Franchise Agreement which requires a franchisee to consent to the jurisdiction of courts outside of North Dakota has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law.

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

This Addendum shall pertain to franchises sold in the State of Virginia and shall be for the purpose of complying with the Virginia Retail Franchising Act.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Executive Home Care Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

1. Items 5 and 7 are hereby amended to include the following:

> "The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement."

2. Item 17(h) of the Franchise Disclosure Document shall be amended to include the following disclosure:

> "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."

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the

franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

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

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the

inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5 is amended as follows:

> "The Washington Department of Financial Institutions (the "Department") has determined that the financial condition of the franchisor's parent, Executive Home Care Franchising, LLC ("EHC"), which has guaranteed the franchisor's performance is not adequate to fulfill its obligations to franchisees at this time. Accordingly, the franchisee's obligation to pay the initial franchise fee shall be deferred until EHC has fulfilled its initial pre-opening obligations and the franchisee is open for business."

20. Section 6.1 of the Franchise Agreement is hereby amended to include the following language:

> "The Washington Department of Financial Institutions (the "Department") has determined that the financial condition of the franchisor's parent, Executive Home Care Franchising, LLC ("EHC"), which has guaranteed the franchisor's performance is not adequate to fulfill its obligations to franchisees at this time. Accordingly, the franchisee's obligation to pay the initial franchise fee shall be deferred until EHC has fulfilled its initial pre-opening obligations and the franchisee is open for business.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement and Supplement Agreements (if applicable) if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

[Signature page follows at end of exhibit]

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Applicable Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreements (if applicable) and any other specified agreement(s) entered into by us and the undersigned franchisee. To the extent any terms of an applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreement (if applicable) and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐ California	☐ Michigan	☐ South Dakota
☐ Hawaii	☐ Minnesota	☐ Virginia
☐ Illinois	☐ New York	☐ Washington
☐ Indiana	☐ North Dakota	☐ Wisconsin
☐ Maryland	☐ Rhode Island	

Dated: ____________________

FRANCHISOR:

Executive Home Care Franchising, LLC

By: ________________________________

Title: ________________________________

FRANCHISEE:

____

By: ________________________________

Title: ____

EXHIBIT "D"-2

<u>FRANCHISEE DISCLOSURE QUESTIONNAIRE</u>

[See Attached]

MAY NOT BE SIGNED OR USED IF FRANCHISEE RESIDES WITHIN, OR THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN, A FRANCHISE REGISTRATION STATE[1]

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know Executive Home Care Franchising, LLC ("we" or "us), and you are preparing to enter into a Franchise Agreement for the operation of an EXECUTIVE HOME CARE® franchise. We require that you complete this Questionnaire (a) so that we can determine whether our franchise sales team followed proper sales procedures and (b) to provide us with reasonable assurance that, prior to signing the Franchise Agreement, you have had an adequate opportunity to review the Franchise Disclosure Document and its attachments, consult with legal and/or business advisors of your choosing, and ask us questions about any disclosures or terms that you do not understand. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question.

Yes__ No__ 1. Have you received from us and personally reviewed the Franchise Agreement together with all of its attachments?

[If you answer "no," please explain in Explanation Section]

Yes__ No__ 2. Have you received from us and personally reviewed a Franchise Disclosure Document ("FDD")?

[If you answer "no," please explain in Explanation Section]

Yes__ No__ 3. Did you sign a receipt for the FDD indicating the date you received it?

Yes__ No__ 4. Do you understand all the information contained in the FDD and Franchise Agreement?

[If you answer "no," please identify any information you don't understand in Explanation Section]

Yes__ No__ 5. Did you receive the FDD at least 14 calendar days before signing any agreement relating to the franchise (other than an NDA) or paying any money?

Yes__ No__ 6. Did you receive a complete execution copy of the Franchise Agreement, with all material terms filled in, at least seven (7) calendar days before you signed it?

Yes__ No__ 7. Have you reviewed the FDD and Franchise Agreement with a lawyer, accountant or other professional advisor?

Yes__ No__ 8. Have you discussed the benefits and risks of developing and operating an EXECUTIVE HOME CARE® franchise with an existing EXECUTIVE HOME CARE® franchisee?

Yes__ No__ 9. Do you understand the risks of developing and operating an EXECUTIVE HOME CARE® franchise?

Yes__ No__ 10. Do you understand the success or failure of your franchise will depend in part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?

Yes__ No__ 11. Do you understand that the Franchise Agreement and its attachments contain the entire agreement between us and you concerning the franchise for the EXECUTIVE HOME CARE® franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or its attachments will not be binding?

[1] Registration states include California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

Yes__ No__ 12. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the costs involved in operating an EXECUTIVE HOME CARE® franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

Yes__ No__ 13. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the training, assistance or support that will be provided to you that is not contained in the FDD or that is contrary to, or different from, the information in the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

Yes__ No__ 14. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the actual, average, projected or hypothetical profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue an EXECUTIVE HOME CARE® business may generate, other than any information included in Item 19 of the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated ___________________________	Dated ___________________________
______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated ___________________________	Dated ___________________________

EXPLANATION SECTION

Please include any explanations below and refer to the applicable question number.

____

____

____

____

____

____

EXHIBIT "D"-3

<u>GENERAL RELEASE</u>

[See Attached]

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (this "Agreement") is made as of ____________, 202__ (the "Effective Date") by _________________________, a(n) __________________ ("you") and each individual holding a direct or indirect ownership interest in you (collectively "Owner") in favor of Executive Home Care Franchising, LLC, a New Jersey limited liability company ("us," and together with you and Owner, the "Parties").

Background

A. We signed a Franchise Agreement with you, dated _______, 202____ (the "Franchise Agreement") pursuant to which we granted you the right to own and operate an EXECUTIVE HOME CARE® business.

B. You have notified us of your desire to [transfer the Franchise Agreement and all rights related thereto, or an ownership interest in the franchisee entity, to a transferee,] [enter into a successor franchise agreement] and we have [consented to such transfer] [agreed to enter into a successor franchise agreement].

C. As a condition to [our consent to the transfer] [your ability to enter into a successor franchise agreement], you and Owner have agreed to execute this Agreement upon the terms and conditions stated below.

D. In consideration of our [consent to the transfer] [entering into a successor franchise agreement], and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, you and Owner hereby agree as set forth below.

Agreement

1. Release. You, Owner and each of your officers, directors, employees, representatives, affiliates, successors and assigns ("Franchisee Parties") hereby release, acquit and forever discharge us, our affiliates, and our (and our affiliates') past and present owners, officers, directors, employees, representatives, successors and assigns ("Franchisor Parties") from all claims, liabilities, damages, expenses, actions or causes of action that any Franchisee Party may now have or ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the: (a) execution, performance or breach of the Franchise Agreement; or (b) offer, sale or acceptance of franchise related thereto, including any disclosures or representations made in connection therewith. This release does not apply to any obligations contained in this Agreement.

   (a) California Law. You and Owner hereby express your intention to release all existing claims, whether known or unknown, against the Franchisor Parties. Accordingly, you and Owner hereby waive §1542 of the California Civil Code, which provides the following:

   > "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

   [Clause (a) only applies for California franchisees; otherwise it is omitted]

   (b) Washington Franchise Law. This release does not apply to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

   [Clause (b) only applies for Washington franchisees; otherwise it is omitted]

2. Nondisparagement. Franchisee Parties agree not to: (a) disparage, or make false statements or negative comments regarding, a Franchisor Party; or (b) make any other statements to third parties intending to damage a Franchisor Party's business or reputation. The restrictions in this Section: (a) apply to all methods of communications, including online statements and social media posts; and (b) prohibit a Franchisee Party from indirectly violating this Section by influencing or encouraging a third party to engage in activities that would violate this Section if done by a Franchisee Party.

3. Representations and Warranties. You and Owner each represent and warrant that: (a) [Insert franchisee entity name] is duly authorized to execute this Agreement and perform its obligations hereunder; (b) neither you nor Owner has assigned or transferred, either voluntarily or by operation of law, any rights or claims against any Franchisor Party or any rights, claims or obligations being terminated or released hereunder; (c)

you and Owner have not and shall not (i) institute or cause to be instituted against any Franchisor Party a legal proceeding of any kind, including filing a claim or complaint with a state or federal court or regulatory agency, alleging a violation of any law or public policy or (ii) make any statements prohibited by §2; and (d) the persons identified as Owner on the signature page collectively own 100% of the legal and beneficial ownership interests in [Insert franchisee entity name].

4. Communications with Governmental Authorities. Nothing in this Agreement shall restrict or be deemed to preclude you from disclosing truthful information to governmental authorities in response to any request for information you receive from them.

5. Miscellaneous.

   (a) The Parties agree that each has read and fully understands this Agreement and that the opportunity has been afforded to each Party to discuss the terms and contents of said Agreement with legal counsel and/or that such a discussion with legal counsel has occurred.

   (b) This Agreement is governed by the laws of the State of Arizona.

   (c) If either Party must institute legal action to enforce this Agreement, the prevailing Party is entitled to recover all of its reasonable costs and attorneys' fees from the non-prevailing Party.

   (d) This Agreement is binding on, and inures to the benefit of, the Parties and their respective executors, administrators, heirs, assigns and successors in interest.

   (e) This Agreement constitutes the entire agreement and understanding between the Parties regarding the subject matter hereof. This Agreement may not be modified except in a writing signed by both Parties.

   (f) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof).

   (g) The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the transactions contemplated hereby.

   (h) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

FRANCHISEE:

[__________________]

By:____________________________
Name:__________________________
Title:___________________________

FRANCHISE OWNERS:

____
Name:__________________________

____
Name:__________________________

EXHIBIT "E"

TO DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF BRAND STANDARDS MANUAL

Executive Home Care

FRANCHISE OPERATIONS MANUAL

Table of Contents

Total Pages: 165

EXHIBIT "F"

TO DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

Part A (Current Franchisees)

The following table lists our franchisees that were open as of December 31, 2025.

FRANCHISEES OPEN AS OF DECEMBER 31, 2025				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Arkansas	Conway	930 Wingate Street, Suite D3	501-205-0044	Jessica Lawson Chase Smith
Arkansas	Conway	930 Wingate Street, Suite D3	501-205-0044	Jessica Lawson Chase Smith
California	Campbell	31 Virginia Ave	(650) 661-1066	Shelly Jain
California	Carlsbad	3251 Crecida Way	(951) 551-8944	Gilbert Flores
California	Diablo Valley	1255 Treat Blvd #300	925-472-6896	Larch Laws
California	Diablo Valley	1255 Treat Blvd #300	925-472-6896	Larch Laws
California	Laguna Hills	25222 Costeau Street	(949) 632-3272	Michael Madero
California	Laguna Hills	25222 Costeau Street	(949) 632-3272	Michael Madero
California	Lake Forest	21261 Calle Horizonte	(949) 217-9412	Isaac Dozor
California	North County	100 E. San Marcos Blvd. Suite 400	760 807-9432	Jack McCarty
California	North County	100 E. San Marcos Blvd. Suite 400	760 807-9432	Jack McCarty
California	San Diego	9655 Granite Ridge Drive, Suite 200	619-673-8291	Michael Nef
California	San Diego	9655 Granite Ridge Drive, Suite 200	619-673-8291	Michael Nef
California	San Diego	9655 Granite Ridge Drive, Suite 200	619-673-8291	Michael Nef
California	San Diego	9655 Granite Ridge Drive, Suite 200	619-673-8291	Michael Nef
California	San Francisco West - San Jose	1390 Market Street Suite 200, OFFICE NO. 2036	415-671-4357	Eugene Dumlao
California	San Francisco West - San Jose	1390 Market Street Suite 200, OFFICE NO. 2036	415-671-4357	Eugene Dumlao
California	West Covina	1704 South Lark Ellen Avenue	(626) 239-9338	Royce Wang
California	West Covina	1704 South Lark Ellen Avenue	(626) 239-9338	Royce Wang
Connecticut	Stratford	3476 Main Street	(203) 690-1963	Robin Zacks
Florida	Coral Springs	3938 NW 69th Terrace	(201) 696-1194	Deryck Toby
Florida	Fort Meyers	15881 S Tamiami Trail Unit 6F	(239) 433-2273	Jordan Martin
Florida	Fort Meyers	15881 S Tamiami Trail Unit 6F	(239) 433-2273	Jordan Martin
Florida	Southwest Broward County	4259 E. Seneca Avenue	(305) 582-3254	Santiago Perez
Florida	Tampa	1218 Millennium Parkway, Suite 1-12	(813) 417-7318	Jason Mirabella Claudia Mirabella
Florida	West Palm Beach	4601 N Congress Ave, Suite 103	(561) 429-8067	Vikash Salig
Florida	West Palm Beach	4601 N Congress Ave, Suite 103	(561) 429-8067	Vikash Salig
Georgia	Alpharetta	1151 Hammond Drive NE Suite 240	404-210-4154	Duwaine Lawrence
Georgia	Augusta	3504 Professional Circle	706-945-1064	Anthony Ishmael

FRANCHISEES OPEN AS OF DECEMBER 31, 2025				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Maryland	Crofton	2411 Crofton Lane #24 Suite	(443) 889-1636	Patricio Green Leisha Green
Massachusetts	Northeast Greater Boston	300 Baker Ave, Suite 30	978-807-4789	Andre Gorgenyi
Mississippi	Jackson	317 East Capitol Street, Suite 200	601-906-2926	Kenneth Austin
Missouri	Central St. Louis County	3636 S. Geyer Road Suite 100	314-740-2527	Erik Morrison
Nebraska	Bennington	7515 N 17th Street	(402) 507-5292	Steve Royer Jerri Royer
New Jersey	Bergen County, (Paramus)	15 N 5th St	201-466-7529	Aangan Patel
New Jersey	Bergen County, (Teaneck)	15 N 5th St	201-466-7529	Aangan Patel
New Jersey	Bergen County,(Saddlebrook)	15 N 5th St	201-466-7529	Aangan Patel
New Jersey	Bloomfield	16 Pulaski St	(973) 557-0297	Jordan Vogt Matthew Vogt
New Jersey	Bloomfield	16 Pulaski St	(973) 557-0297	Jordan Vogt Matthew Vogt
New Jersey	Freehold	958 Adelphia Road	732-308-1512	Aangan Patel
New Jersey	Morristown	55 Madison Ave, Suite 400	(973)705-6400	Michael Baillie
New Jersey	Morristown	55 Madison Ave, Suite 400	(973)705-6400	Michael Baillie
New Jersey	Somerset	1075 Easton Avenue Tower 2, Suite 4	732-308-1512	Aangan Patel
New Jersey	South Ocean	3 Plaza Drive, Suite 13	(848) 480-1001	Michael Baillie
New Jersey	Toms River (Jackson)	52 Hyers Street	732-308-1512	Aangan Patel
North Carolina	Morrisville	1148 Pemberley Ave	(205) 773-1690	Reena Kadari
North Carolina	Morrisville	1148 Pemberley Ave	(205) 773-1690	Reena Kadari
North Carolina	Raleigh	14460 Falls of Neuse Road, Suite 149-123	(414) 234-0275	Patrina Powell
North Carolina	Raleigh	14460 Falls of Neuse Road, Suite 149-123	(414) 234-0275	Patrina Powell
North Carolina	South Charlotte	6135 Park South Dr. Suite 500	704-488-9734	Desmond Davis
Pennsylvania	Chester County	600 Eagleview Boulevard, Suite 383	484-693-0078	Ila Negi
Pennsylvania	Furlong	894 Macclesfield Road	(215) 262-0481	Chris Slack
Pennsylvania	Furlong	894 Macclesfield Road	(215) 262-0481	Chris Slack
Pennsylvania	Furlong	894 Macclesfield Road	(215) 262-0481	Chris Slack
Texas	Allen	825 Watter's Creek Blvd., Building M, Suite 250	214-991-3857	Jericho Navalta
Texas	Allen	825 Watter's Creek Blvd., Building M, Suite 250	214-991-3857	Jericho Navalta
Texas	Fort Worth	9117 Vineyard Lane	(682) 597-8320	Landris Johnson
Texas	Katy	25140 Kingsland Blvd. Ste. # 100	832-372-9567	James Long
Texas	Katy	25140 Kingsland Blvd. Ste. # 100	832-372-9567	James Long

FRANCHISEES OPEN AS OF DECEMBER 31, 2025				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Texas	Plano	6600 Chase Oaks Blvd. Suite 150	318-792-4937	Hamideh
Texas	Plano	6600 Chase Oaks Blvd. Suite 150	318-792-4937	Hamideh
Texas	Northeast Dallas and Flower Mound	110 North Greenhill Ln, Suite 324	469-431-1498	Nate Burgess
Texas	Northeast Dallas and Flower Mound	110 North Greenhill Ln, Suite 324	469-431-1498	Nate Burgess
Texas	San Antonio North	118 Broadway Suite 530	703-300-6836	Crystal Thompson
Texas	San Antonio North	118 Broadway Suite 530	703-300-6836	Crystal Thompson
Texas	The Woodlands	5523 Louetta Rd, Suite E	832-226-8900	Jason Phillips
Texas	The Woodlands	5523 Louetta Rd, Suite E	832-226-8900	Jason Phillips
Utah	American Fork	785 West 800 South	(801) 472-7115	Justin Thomas Daiana Thomas
Utah	American Fork	785 West 800 South	(801) 472-7115	Justin Thomas Daiana Thomas
Utah	Central Salt Lake Valley	6975 Union Park Ave.	801-598-7925	Jaren Cooper
Virginia	Aldie	24850 Hogue Creek Court	(920) 562-4465	Rezaul Abid
Virginia	Reston	11568 Woodhollow CT	(917) 434-4585	Gautam Bandodkar
Virginia	Reston	11568 Woodhollow CT	(917) 434-4585	Gautam Bandodkar Shyla Joseph
Virginia	Reston	11568 Woodhollow CT	(917) 434-4585	Gautam Bandodkar Shyla Joseph
Virginia	Reston	11568 Woodhollow CT	(917) 434-4585	Gautam Bandodkar Shyla Joseph
Virginia	Richmond	901 Moorefield Park Drive, Suite 103	(804) 419-6900	Timothy Hayes
Virginia	Richmond	901 Moorefield Park Drive, Suite 103	(804) 419-6900	Timothy Hayes
Virginia	Spotsylvania	6530 Crittenden Lane	(540) 424-3991	Ryan McBroom
Virginia	Spotsylvania	6530 Crittenden Lane	(540) 424-3991	Ryan McBroom

* In some cases, franchisees who have purchased multiple territories (each under a separate Franchise Agreement) operate them from the same designated office location. Each territory is counted as a separate "outlet" for purposes of Item 19 and Item 20 of this Disclosure Document but appear as duplicates above.

The following table lists franchisees with signed franchise agreements that were not open as of December 31, 2025.

FRANCHISEES NOT OPEN AS OF DECEMBER 31, 2025				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
California	Oakland	3825 Mera Street	510-827-6832	Parius Futch
Colorado	Aurora	3773 Cherry Creek North Drive, Suite 801, Office #826	303-903-9952	Yaw Osei-Kumah
Delaware	Georgetown	*Business address TBD–home address below* 2 Evergreen Pl. Chadds Ford, Pennsylvania 19317	443-939-7151	Trupen Modi

FRANCHISEES NOT OPEN AS OF DECEMBER 31, 2025				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Florida	Oakland Park	62001 NW 28th ST	425-444-3387	Youseline Cadet
Florida	Port Saint Lucie	1860 SW Fountainview Blvd Suite 100	646-796-5079	Linette Diaz-Valentin
Georgia	Peachtree Corners	3875 Scotts Mill Run	404-775-8037	Brandy and Barry Blount
Illinois	Chicago	2020 North Lincoln Park West	312-909-0361	Allison Batzel
Massachusetts	Northeast Greater Boston	300 Baker Ave, Suite 300	978-807-4789	Andre Gorgenyi
Pennsylvania	Delaware County	225 Wilmington West Chester Pike Glen Mills, #266	610-425-7598	Suresh Chellapilla
Pennsylvania	Delaware County	225 Wilmington West Chester Pike Glen Mills, #266	610-425-7598	Suresh Chellapilla
Texas	Northeast Dallas and Flower Mound	110 North Greenhill Ln, Suite 324	469-431-1498	Nate Burgess
Texas	Northeast Dallas and Flower Mound	110 North Greenhill Ln, Suite 324	469-431-1498	Nate Burgess
Washington	Redmond	8201 164th Ave NE, Suite 222	425-947-2265	Caitlin Skoda and Casey Spert

<u>Part B</u> (Former Franchisees Who Left System During Prior Fiscal Year)

State	City	Current Business Phone or Last Known Home Phone	Owner Name(s)
Colorado	Parker	(303) 854-4539	In Kim
New Jersey	Lawrence Twp.	(609) 212 -2993	Christian Campbell
New Jersey	Freehold	(732) 308-1512	Jeff Wolf Senen Cabalfin
New Jersey	Paramus	(201) 499-5660	Jeff Wolf and Senen Cabalfin
New Jersey	Saddle Brook	(201) 499-5660	Jeff Wolf and Senen Cabalfin
New Jersey	Somerset	(732) 425-1945	Jeff Wolf Senen Cabalfin
New Jersey	Teaneck	(201) 499-5660	Jeff Wolf and Senen Cabalfin
New Jersey	Toms River	(732) 908-8901	Jeff Wolf Senen Cabalfin

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

EXHIBIT "G"

TO DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

[See Attached]

EHC Holding Company, LLC and Subsidiaries

Consolidated Financial Report
December 31, 2025

EHC Holding Company, LLC and Subsidiaries

Contents

Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2025 and 2024 and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our 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 Consolidated Financial Statements

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

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

Auditor’s Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS 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 consolidated financial statements.

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Plante & Moran, PLLC

April 13, 2026

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

		2025		2024
Assets				
Current Assets				
Cash	$	10,168,793	$	7,200,071
Investments		103,668		-
Accounts receivable - Net		3,853,514		2,685,757
Inventory		516,419		47,090
Deferred commission costs		1,042,596		225,341
Prepaid expenses and other current assets		1,301,424		807,450
Total current assets		16,986,414		10,965,709
Property and Equipment - Net		2,467,907		2,069,949
Operating Lease Right-of-use Assets - Net		913,143		792,487
Goodwill - Net		99,375,260		52,665,564
Intangible Assets - Net		61,352,930		28,380,024
Other Assets				
Deferred commission costs - Net of current portion		7,828,647		5,332,257
Other noncurrent assets		1,239,170		489,961
Total assets	**$**	**190,163,471**	**$**	**100,695,951**
Liabilities and Members' Equity				
Current Liabilities				
Accounts payable	$	2,455,210	$	868,428
Current portion of operating lease liabilities		321,614		212,365
Deferred franchise fees		3,927,355		3,010,287
Other current liabilities:				
Taxes payable		110,665		-
Accrued compensation		737,075		596,645
Other accrued liabilities		1,784,377		1,279,257
Total current liabilities		9,336,296		5,966,982
Long-term Debt		46,646,902		-
Operating Lease Liabilities - Net of current portion		622,636		603,246
Other Long Term Liabilities				
Deferred franchise fees - Net of current portion		20,098,827		16,498,710
Deferred tax liabilities		1,801,324		-
Total liabilities		78,505,985		23,068,938
Members' Equity		111,657,486		77,627,013
Total liabilities and members' equity	**$**	**190,163,471**	**$**	**100,695,951**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Operations

Years Ended December 31, 2025 and 2024

	2025	2024
Net Revenue		
Royalty fees	$ 13,608,581	$ 9,732,577
Initial franchise fees	4,362,781	4,547,181
National brand fund fees	3,727,498	2,706,984
Service fees	7,492,249	7,467,150
Other	1,779,058	1,283,105
Total net revenue	30,970,167	25,736,997
Operating Expenses	45,186,193	32,452,294
Nonoperating Expense - Interest expense	(639,467)	-
Loss - Before income taxes	(14,855,493)	(6,715,297)
Income Tax Recovery	(333,964)	-
Consolidated Net Loss	**$ (14,521,529)**	**$ (6,715,297)**

See notes to consolidated financial statements.

Consolidated Statement of Members' Equity

Years Ended December 31, 2025 and 2024

Balance - January 1, 2024	$ 84,342,310
Consolidated net loss	(6,715,297)
Balance - December 31, 2024	77,627,013
Consolidated net loss	(14,521,529)
Issuance of Class A units	48,552,002
Balance - December 31, 2025	**$ 111,657,486**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Consolidated net loss	$ (14,521,529)	$ (6,715,297)
Adjustments to reconcile consolidated net loss to net cash from operating activities:		
Depreciation and amortization	12,214,482	9,997,566
Noncash lease expense	54,529	16,064
Credit loss expense	187,898	219,820
Deferred income tax recovery	(444,629)	-
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	710,827	(955,312)
Prepaid expenses and other assets	(917,780)	(980,991)
Deferred commission costs	(3,313,645)	(3,364,692)
Accounts payable and other accrued liabilities	76,589	807,195
Deferred franchise fees	2,098,787	606,768
Net cash used in operating activities	(3,854,471)	(368,879)
Cash Flows from Investing Activities		
Cash paid for acquisitions - Net of cash acquired	(85,045,980)	-
Purchase of property and equipment	(579,731)	(689,514)
Net cash used in investing activities	(85,625,711)	(689,514)
Cash Flows from Financing Activities		
Proceeds from long-term debt	47,500,000	-
Debt issuance costs	(853,098)	-
Proceeds from issuance of Class A units	45,802,002	-
Net cash provided by financing activities	92,448,904	-
Net Increase (Decrease) in Cash	2,968,722	(1,058,393)
Cash - Beginning of year	7,200,071	8,258,464
Cash - End of year	**$ 10,168,793**	**$ 7,200,071**
Supplemental Cash Flow Information - Cash paid for interest	$ 364,467	$ -
Significant Noncash Transactions - Fair value of rollover equity issued for business acquisitions	$ 2,750,000	$ -

See notes to consolidated financial statements.

Note 1 - Nature of Business

EHC Holding Company, LLC and Subsidiaries (the "Company") includes its wholly owned subsidiaries, Evive Brands, LLC (Evive); Executive Home Care Franchising, LLC (EHC); ALL Franchising, LLC (ALL); ALL Licensing, LLC (Licensing); B&P Burke, LLC (Grasons); Brothers Parsons Franchising, LLC (Brothers); Brothers Parsons HV, LLC (BPHV); Brothers Parsons IP, LLC (BPIP); Evive Holdco, Inc. (Holdco); Pacific Lawn Sprinklers Franchise, LLC (PLSF); PLS Corporate Stores, LLC (PLSC); PLS Hub, LLC (PLSH); and Shine Development, LLC (Shine).

EHC is a franchisor that provides home care services to the elderly, physically handicapped, and injured, allowing them to live at home. EHC began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. ALL began operations in 2006 and provides services nationwide. Licensing is an operating company that owns the intellectual property used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services and was established in 2011.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance. BPIP is an operating company that owns the intellectual property used by Brothers. BPHV operates a Brothers franchise. BPHV was sold on October 15, 2025.

Holdco's wholly owned subsidiary, MB Franchise Holdings, Inc. (Maid Brigade), is a franchisor that provides residential and commercial professional cleaning services.

PLSF is a franchisor that primarily provides lawn sprinkler and landscape light services to residential and commercial customers. PLSC is a corporate owned location and PLSH is the national call center for the franchise system.

Shine is a franchisor that provides window care and holiday lighting services to residential and commercial businesses.

Note 2 - Significant Accounting Policies

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the alternative for accounting for goodwill and intangibles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Adoption of New Accounting Pronouncement

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduced a practical expedient for estimating expected credit losses on current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, *Revenue from Contracts with Customers*. Under the practical expedient, the Company assumes that current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The standard also permits an accounting policy election to consider collection activity after the balance sheet date when estimating credit losses.

Note 2 - Significant Accounting Policies (Continued)

The Company adopted the new guidance on January 1, 2025 on a prospective basis. The adoption of this guidance did not have a significant impact on the consolidated financial statements.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. At December 31, 2025 and 2024, the Company had recorded an allowance for credit losses in the amount of $695,999 and $131,037, respectively. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. The Company has elected the practical expedient to assume that the current conditions as of the consolidated balance sheet date will not change for the remaining life of the asset. The Company has also made the policy election to consider collection activity subsequent to year end in making its estimate of expected losses. The Company has considered subsequent collection activity through January 31, 2026. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The net accounts receivable balance as of January 1, 2024 was $1,950,265.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method. Assets are depreciated over their estimated useful lives, which range from 3 to 10 years. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Capitalized Software Costs

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use, including the costs of the software, materials, consultants, interest, payroll, and payroll-related costs for employees incurred in developing internal-use computer software, once final selection of the software is made. Costs incurred prior to the final selection of software and costs not qualifying for capitalization are charged to expense. Capitalized software amortization expense was approximately $250,000 and $203,000 in 2025 and 2024, respectively. The net book value of capitalized software costs included in property and equipment at December 31, 2025 and 2024 was approximately $781,000 and $1,032,000, respectively. The estimated useful life of the capitalized software is five years.

Leases

The Company has operating leases for corporate office space. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all operating leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability. Total rent expense for the years ended December 31, 2025 and 2024 equaled approximately $308,000 and $267,000. Cash paid for leases approximated these expense amounts.

The Company has an operating lease with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to short-term leases is *de minimis*.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all operating leases.

Note 2 - Significant Accounting Policies (Continued)

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 14 years. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Company elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Debt Issuance Costs

Debt issuance costs are recorded as a reduction in the recorded balance of the outstanding debt. The costs are amortized over the term of the related debt and reported as a component of interest expense.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the years ended December 31, 2025 and 2024.

Revenue Recognition

The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement (typically 10 years); (b) preopening services, such as training; (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees; and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the "franchisee") simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing these services is identified as royalty fees, initial franchise fees, and national brand fund fees on the accompanying consolidated statement of operations.

The Company also operates certain franchise locations. The revenue for these consist of revenue recognized at a point in time as the service is completed. This revenue is identified as service fees on the accompanying consolidated statement of operations.

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligations, resulting in the Company recognizing deferred revenue contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred initial franchise fees as of January 1, 2024 equaled $18,902,229. Initial franchise fees are also received pursuant to area development agreements, which grant the right to develop franchised territories in future periods in specific geographic areas. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Service fees are due 30 days from when the service is performed.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company incurs commission costs to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commission costs are capitalized as deferred commission costs and are expensed over the term of the respective franchise agreement, which is determined to be the period of benefit. During the years ended December 31, 2025 and 2024, commission expenses incurred related to obtaining franchise agreements was approximately $2,100,000 and $623,000, respectively.

Advertising Expense

In accordance with the Company's franchise agreements, franchisees pay a percentage of monthly sales to an advertising fund to be used for advertising, marketing, and other promotional purposes. Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2025 and 2024 was approximately $5,540,000 and $3,756,000, respectively.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. Members are taxed individually on their pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Company's operating agreement.

Holdco is structured as a C corporation; therefore, a current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

Note 2 - Significant Accounting Policies (Continued)

Concentrations of Credit Risk

The Company maintains cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Use of Estimates

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

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including April 13, 2026, which is the date the financial statements were available to be issued.

Note 3 - Business Combinations

MB Franchise Holdings, Inc.

On May 30, 2025, the Company acquired 100 percent of the outstanding capital stock of MB Franchise Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The fair value of the consideration transferred equaled $17,834,448, all of which was paid in cash.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$ 209,151
Accounts receivable	202,278
Prepaids and other assets	16,307
Right-of-use assets	116,952
Intangible assets	11,657,000
Accounts payable	(386,108)
Deferred franchise fees	(632,153)
Lease liabilities	(70,406)
Accrued expenses	(365,293)
Deferred tax liabilities	(2,245,953)
Total identifiable net assets	8,501,775
Goodwill	9,332,673
Total	$ 17,834,448

The fair value of financial assets includes accounts receivable with a gross contractual value of $202,278, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,478,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Pacific Lawn Sprinklers

On October 23, 2025, the Company acquired 100 percent of the membership interests of Pacific Lawn Sprinklers Franchise LLC; PLS IP, LLC; and PLS Hub, LLC, and PLSC purchased all assets of PLS Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	$ 57,119,262
Noncash rollover equity - Class A units	1,000,000
Fair value of total consideration transferred	$ 58,119,262

The fair value of the 892 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$ 476,305
Accounts receivable	1,211,555
Inventory	516,419
Prepaids and other assets	257,245
Property and equipment	548,204
Right-of-use assets	238,355
Intangible assets	20,887,000
Accounts payable	(357,951)
Deferred franchise fees	(581,855)
Lease liabilities	(238,355)
Accrued expenses	(344,142)
Total identifiable net assets	22,612,780
Goodwill	35,506,482
Total	$ 58,119,262

The fair value of financial assets includes accounts receivable with a gross contractual value of $1,211,555, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Note 3 - Business Combinations (Continued)

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,885,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Shine Development Holdings, Inc.

On November 24, 2025, the Company acquired 100 percent of the outstanding capital stock of Shine Development Holdings, Inc. The primary reason for the acquisition was to expand the Company's portfolio of franchised brands within the facility maintenance service industry.

The following table summarizes the fair value of the consideration transferred as part of the acquisition:

Cash	$ 10,810,568
Noncash rollover equity - Class A units	1,750,000
Fair value of total consideration transferred	$ 12,560,568

The fair value of the 1,248 Class A units issued as noncash rollover equity was based on a valuation of the Company's membership interests using an option-pricing model. See Note 9 for further details.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Cash	$ 32,842
Investments	103,668
Accounts receivable	652,649
Prepaids and other assets	4,761
Property and equipment	24,455
Right-of-use assets	92,436
Intangible assets	4,583,000
Accounts payable	(143,367)
Deferred franchise fees	(1,204,390)
Lease liabilities	(92,436)
Accrued expenses	(669,547)
Total identifiable net assets	3,384,071
Goodwill	9,176,497
Total	$ 12,560,568

The fair value of financial assets includes accounts receivable with a gross contractual value of $652,649, all of which is expected to be collectible.

Identifiable intangible assets acquired and subject to amortization include the trade name and franchise agreements with estimated useful lives of 10 years. The fair value of the trade name was determined using a relief from royalty method, and the fair value of the franchise agreements was determined using a multiperiod excess earnings method.

Goodwill was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to the growth potential of the Company, the value of customer-related intangibles, and management and operational expertise. The weighted-average amortization period for the goodwill recognized is 10 years.

Note 3 - Business Combinations (Continued)

Acquisition-related costs, which include legal, accounting, and transaction fees, were approximately $1,068,000 and have been included in operating expenses on the accompanying consolidated statement of operations.

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2025	2024
Machinery and equipment	$ 151,978	$ 224,961
Vehicles	541,000	281,658
Furniture and fixtures	149,944	140,755
Computer equipment and software	2,095,919	1,678,755
Leasehold improvements	228,551	251,913
Total cost	3,167,392	2,578,042
Accumulated depreciation	699,485	508,093
Net property and equipment	$ 2,467,907	$ 2,069,949

Depreciation expense was approximately $482,000 and $329,000 for the years ended December 31, 2025 and 2024, respectively.

Note 5 - Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2025 and 2024 are summarized as follows:

	2025		2024	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets and goodwill:				
Franchise agreements	$ 55,246,000	$ 6,607,365	$ 24,937,000	$ 3,205,115
Trade names	13,949,232	1,781,070	7,131,232	934,157
Developed technology	1,097,752	551,619	807,674	356,610
Goodwill	116,038,647	16,663,387	62,057,306	9,391,742
Total amortized intangible assets and goodwill	$ 186,331,631	$ 25,603,441	$ 94,933,212	$ 13,887,624

Amortization expense for intangible assets and goodwill totaled approximately $11,732,000 and $9,669,000 for the years ended December 31, 2025 and 2024, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2026	$ 18,941,087
2027	18,941,087
2028	18,941,087
2029	18,941,087
2030	18,941,087
Thereafter	66,022,755
Total	$ 160,728,190

Note 6 - Long-term Debt

Long-term debt at December 31, 2025 is as follows:

Term loan	$	40,000,000
Delayed draw term loan		7,500,000
Total		47,500,000
Unamortized debt issuance costs		853,098
Long-term portion	$	46,646,902

The balance of the above debt matures as follows:

Years Ending		Amount
2026	$	-
2027		-
2028		475,000
2029		475,000
2030		475,000
Thereafter		46,075,000
Total	$	47,500,000

In October 2025, the Company entered into a credit agreement with a financial institution to help fund current and future acquisitions. Maximum borrowings under the credit agreement are as follows: an initial term loan commitment of $40,000,000, total delayed draw term loan commitments of $25,000,000, and a revolving loan commitment of $7,000,000. All commitments are secured by substantially all of the assets of the Company. Principal payments of 0.25 percent of the outstanding loan amounts are due quarterly starting in 2028 until maturity in October 2031, at which time all unpaid principal is due.

The interest rate is a floating rate equal to the Secured Overnight Financing Rate (SOFR), or the alternate base rate (ABR), plus the applicable margin, as defined in the credit agreement. The effective interest rate on the term loan as of December 31, 2025 was 8.67 percent. The effective rate on the delayed draw term loan as of December 31, 2025 was 8.42 percent.

Debt issuance costs of approximately $853,000 were incurred to secure the credit facility.

Under the agreements with the bank, the Company is subject to various financial covenants, including a net leverage ratio covenant, and excess cash flow payments. As of December 31, 2025, the Company was in compliance with all financial covenants and was not required to make an excess cash flow payment.

Note 7 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations for the year ended December 31, 2025 are all attributable to continuing operations and are detailed as follows:

Current income tax expense	$	110,665
Deferred income tax recovery		(444,629)
Total income tax recovery	$	(333,964)

The income tax provision differs from the expense that would result from applying statutory rates to income before income taxes as a result of state taxes and temporary timing differences primarily related to intangible assets and revenue recognition.

Note 7 - Income Taxes (Continued)

The details of the net deferred tax liability are as follows:

Total deferred tax liabilities	$ (2,304,376)
Total deferred tax assets	503,052
Total	$ (1,801,324)

Note 8 - Related Party Transactions

The majority member charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in operating expenses on the accompanying consolidated statement of operations. Total expense for the years ended December 31, 2025 and 2024 was approximately $809,000 and $702,000, respectively.

Note 9 - Members' Equity

Class A units have voting rights on all matters requiring the consent, approval, or vote of the members. The Class A units receive preference on distributions. There were 1,000,000 units authorized and 154,175 and 109,546 units issued and outstanding, respectively, as of December 31, 2025 and 2024.

Class B units do not have voting rights and are issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B units are dilutive to the participating preferred units. There were 1,000,000 units authorized and no units issued or outstanding as of December 31, 2025 and 2024.

As defined in the EHC Holding Company, LLC Amended and Restated Limited Liability Company Agreement, a deferred unit provides the right to be issued a Class B unit prior to a significant sale, assuming the fair market value of the Company exceeds the threshold amount, as defined in the Deferred Unit Agreements. The deferred units are time-vesting units that generally vest one-seventh each continuous year of service, becoming fully vested on the seventh anniversary of the grant date. These units allow for accelerated vesting upon the occurrence of a significant sale. As of December 31, 2025 and 2024, there were 5,114 and 3,803 deferred units issued, 3,851 and 2,540 deferred units outstanding, and 849 and 502 deferred units vested, respectively. No compensation expense was recognized during 2025 and 2024, as the fair value of the units is *de minimis*.

EHC Holding Company, LLC and Subsidiaries

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December 31, 2024

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Plante & Moran, PLLC
Suite 300
2601 Cambridge Court
Auburn Hills, MI 48326
Tel: 248.375.7100
Fax: 248.375.7101
plantemoran.com

Independent Auditor's Report

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of EHC Holding Company, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2024 and the related consolidated statements of operations, members' equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 consolidated financial statements.

To the Board of Directors
EHC Holding Company, LLC and Subsidiaries

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Plante & Moran, PLLC

March 25, 2025

Consolidated Balance Sheet

	December 31, 2024
Assets	
Current Assets	
Cash	$ 7,200,071
Accounts receivable - Net	2,685,757
Inventory	47,090
Prepaid expenses and other current assets	1,032,791
Total current assets	10,965,709
Property and Equipment - Net	2,069,949
Operating Lease Right-of-use Assets - Net	792,487
Goodwill - Net	52,665,564
Intangible Assets - Net	28,380,024
Other Assets	
Deferred commission costs - Net of current portion	5,332,257
Other noncurrent assets	489,961
Total other assets	5,822,218
Total assets	**$ 100,695,951**
Liabilities and Members' Equity	
Current Liabilities	
Accounts payable	$ 868,428
Current portion of operating lease liabilities	212,365
Deferred franchise fees	3,010,287
Other current liabilities:	
Accrued compensation	596,645
Other accrued liabilities	1,279,257
Total current liabilities	5,966,982
Operating Lease Liabilities - Net of current portion	603,246
Deferred Franchise Fees - Net of current portion	16,498,710
Total liabilities	23,068,938
Members' Equity	77,627,013
Total liabilities and members' equity	**$ 100,695,951**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Operations

	Year Ended December 31, 2024
Net Revenue	
Royalty fees	$ 9,732,577
Initial franchise fees	4,547,181
National brand fund fees	2,706,984
Service fees	7,467,150
Other	1,283,105
Total net revenue	25,736,997
Operating Expenses	32,452,294
Consolidated Net Loss	**$ (6,715,297)**

See notes to consolidated financial statements.

Consolidated Statement of Members' Equity

	Year Ended December 31, 2024
Balance - January 1, 2024	$ 84,342,310
Consolidated net loss	(6,715,297)
Balance - December 31, 2024	**$ 77,627,013**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statement of Cash Flows

	Year Ended December 31, 2024
Cash Flows from Operating Activities	
Consolidated net loss	$ (6,715,297)
Adjustments to reconcile consolidated net loss to net cash from operating activities:	
Depreciation and amortization	9,997,566
Noncash lease expense	16,064
Bad debt expense	219,820
Changes in operating assets and liabilities that (used) provided cash:	
Accounts receivable	(955,312)
Prepaid expenses and other assets	(980,991)
Deferred commission costs	(3,364,692)
Accounts payable and other accrued liabilities	807,195
Deferred franchise fees	606,768
Net cash used in operating activities	(368,879)
Cash Flows Used in Investing Activities - Purchase of property and equipment	(689,514)
Net Decrease in Cash	(1,058,393)
Cash - Beginning of year	8,258,464
Cash - End of year	**$ 7,200,071**

See notes to consolidated financial statements.

Note 1 - Nature of Business

EHC Holding Company, LLC and Subsidiaries (the "Company") includes its wholly owned subsidiaries, Evive Brands, LLC (Evive); Executive Home Care Franchising, LLC (EHC); ALL Franchising, LLC (ALL); ALL Licensing, LLC (Licensing); B&P Burke, LLC (Grasons); Brothers Parsons Franchising, LLC (Brothers); Brothers Parsons HV, LLC (BPHV); and Brothers Parsons IP, LLC (BPIP).

EHC is a franchisor that provides home care services to the elderly, physically handicapped, and injured, allowing them to live at home. EHC began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. ALL began operations in 2006 and provides services nationwide. Licensing is an operating company that owns the intellectual property used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services and was established in 2011.

Brothers is a franchisor that provides services associated with gutter installation, repair, and maintenance. BPIP is an operating company that owns the intellectual property used by Brothers. BPHV operates a Brothers franchise.

Note 2 - Significant Accounting Policies

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the alternative for accounting for goodwill and intangibles.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. At December 31, 2024, the Company had recorded an allowance for credit losses in the amount of $131,037. The Company evaluates the collectibility of its accounts receivable and determines the appropriate allowance for expected credit losses based on a combination of factors, including the aging of the receivables, historical collection trends, and charge-offs, and includes adjustments for current economic conditions and reasonable and supportable forecasts. When the Company is aware of a franchisee or customer's inability to meet its financial obligation, the Company may individually evaluate the related receivable to determine the allowance for expected credit losses. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. The net accounts receivable balance as of January 1, 2024 was $1,950,265.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method. Assets are depreciated over their estimated useful lives, which range from 3 to 10 years. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Note 2 - Significant Accounting Policies (Continued)

Capitalized Software Costs

The Company capitalizes significant costs incurred in the acquisition or development of software for internal use, including the costs of the software, materials, consultants, interest, payroll, and payroll-related costs for employees incurred in developing internal-use computer software, once final selection of the software is made. Costs incurred prior to the final selection of software and costs not qualifying for capitalization are charged to expense. Capitalized software amortization expense was approximately $203,000 in 2024. The net book value of capitalized software costs included in property and equipment at December 31, 2024 was approximately $1,032,000. The estimated useful life of the capitalized software is five years.

Leases

The Company has operating leases for corporate office space. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company made a policy election not to separate lease and nonlease components for all operating leases. Therefore, all payments are included in the calculation of the right-of-use asset and lease liability.

The Company has an operating lease with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to short-term leases is *de minimis*.

The Company elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all operating leases.

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 14 years. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Company has elected to apply the private company accounting alternative for intangible assets acquired in a business combination developed by the Private Company Council. Under the accounting alternative, certain acquired customer-related intangible assets and noncompetition agreements are not separately recognized apart from goodwill.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company has elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company has elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the year ended December 31, 2024.

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement (typically 10 years); (b) preopening services, such as training; (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees; and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and, therefore, are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing these services is identified as royalty fees, initial franchise fees, and national brand fund fees on the accompanying consolidated statement of operations.

The Company also operates a franchise location. The revenue for this consists of revenue recognized at a point in time as the service is completed. This revenue is identified as service fees on the accompanying consolidated statement of operations.

Payment Terms

Initial franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company’s performance obligations, resulting in the Company recognizing deferred revenue contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred initial franchise fees as of January 1, 2024 equaled $18,902,229. Initial franchise fees are also received pursuant to area development agreements, which grant the right to develop franchised territories in future periods in specific geographic areas. Royalties and advertising fees are paid on a monthly basis based upon a percentage of franchisee gross sales. Technology fees are paid on a monthly basis based upon a fixed amount. Service fees are due 30 days from when the service is performed.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to service customers. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that the agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company incurs commission costs to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commission costs are capitalized as deferred commission costs and are expensed over the term of the respective franchise agreement, which is determined to be the period of benefit.

Note 2 - Significant Accounting Policies (Continued)

Advertising Expense

In accordance with the Company's franchise agreements, franchisees pay a percentage of monthly sales to an advertising fund to be used for advertising, marketing, and other promotional purposes. Advertising expense is charged to income during the year in which it is incurred. Advertising expense for 2024 was $3,755,611.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. Members are taxed individually on their pro rata ownership share of the Company's earnings. The Company's net income or loss is allocated among the members in accordance with the Company's operating agreement.

Concentrations of Credit Risk

The Company maintains cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Use of Estimates

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

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 25, 2025, which is the date the financial statements were available to be issued.

Note 3 - Property and Equipment

Property and equipment are summarized as follows:

Machinery and equipment	$ 224,961
Vehicles	281,658
Furniture and fixtures	140,755
Computer equipment and software	1,678,755
Leasehold improvements	251,913
Total cost	2,578,042
Accumulated depreciation	508,093
Net property and equipment	$ 2,069,949

Depreciation expense was $328,825 for the year ended December 31, 2024.

Note 4 - Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2024 are summarized as follows:

	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets and goodwill:		
Franchise agreements	$ 24,937,000	$ 3,205,115
Trade names	7,131,232	934,157
Developed technology	807,674	356,610
Goodwill	62,057,306	9,391,742
Total amortized intangible assets and goodwill	$ 94,933,212	$ 13,887,624

Amortization expense for intangible assets and goodwill totaled $9,668,741 for the year ended December 31, 2024.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2025	$ 9,515,106
2026	9,515,106
2027	9,515,106
2028	9,515,106
2029	9,515,106
Thereafter	33,470,058
Total	$ 81,045,588

Note 5 - Leases

The Company leases three offices under operating lease agreements that have an initial term of three to six years. Some leases include one or more options to exercise renewal terms that can extend the lease term at the Company's sole discretion. In addition, some leases contain rights to terminate whereby those termination options are held by the Company, the lessor, or both parties. These options to extend or terminate the lease are included in the lease terms only when it is reasonably certain that the Company will exercise that option. The Company's leases generally do not contain any material restrictive covenants.

Note 5 - Leases (Continued)

Future minimum annual commitments under these operating leases are as follows:

Years Ending December 31	Amount
2025	$ 230,942
2026	228,719
2027	203,733
2028	139,664
2029	53,632
Total	856,690
Less amount representing interest	41,079
Present value of net minimum lease payments	815,611
Less current obligations	212,365
Long-term obligations under leases	$ 603,246

Lease cost - Operating lease cost	$	235,997
Other information:		
Cash paid for amounts included in the measurement of lease liabilities - Operating cash flows from operating leases	$	222,245
Weighted-average remaining lease term (years) - Operating leases		3.7
Weighted-average discount rate - Operating leases		2.6 %

Note 6 - Related Party Transactions

The majority member charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in operating expenses on the accompanying consolidated statement of operations. The total expense for the year ended December 31, 2024 is $701,563.

Note 7 - Members' Equity

Class A units have voting rights on all matters requiring the consent, approval, or vote of the members. The Class A units receive preference on distributions. There were 1,000,000 units authorized and 109,546 units issued and outstanding as of December 31, 2024.

Class B units do not have voting rights and are issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B units are dilutive to the participating preferred units. There were 1,000,000 units authorized and no units issued or outstanding as of December 31, 2024.

Note 7 - Members' Equity (Continued)

As defined in the EHC Holding Company, LLC Amended and Restated Limited Liability Company Agreement, a deferred unit provides the right to be issued a Class B unit prior to a significant sale, assuming the fair market value of the Company exceeds the threshold amount, as defined in the Deferred Unit Agreements. The deferred units are time-vesting units that generally vest one-seventh each continuous year of service, becoming fully vested on the seventh anniversary of the grant date. These units allow for accelerated vesting upon the occurrence of a significant sale. As of December 31, 2024, there were 3,803 deferred units issued, 2,540 deferred units outstanding, and 502 deferred units vested. No compensation expense was recognized during 2024, as the fair value of the units is *de minimis*.

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EHC Holding Company, LLC and Subsidiaries

Opinion
We have audited the consolidated financial statements of EHC Holding Company, LLC and its subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the related consolidated statements of operations, changes in members' equity, and cash flows for the years ended December 31, 2023 and 2022, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

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

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

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

RSM US LLP

Detroit, Michigan
April 18, 2024

EHC Holding Company, LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	$ 8,258,464	$ 7,906,497
Accounts receivable, net allowance for credit losses	1,950,265	595,028
Inventory	47,089	-
Prepaid expenses and other current assets	490,729	146,386
Total current assets	10,746,547	8,647,911
Property, plant, and equipment, net	2,039,654	1,671
Other assets:		
Operating lease right-of-use assets, net	1,025,134	121,846
Goodwill, net	48,652,991	16,450,078
Intangibles, net	31,456,699	5,157,183
Other assets	129,180	131,896
Contract costs	12,163,663	1,865,412
Total other assets	93,427,667	23,726,415
Total assets	$ 106,213,868	$ 32,375,997
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	$ 972,368	$ 391,621
Accrued expenses	964,767	1,230,707
Current portion of deferred franchise fees	2,422,957	422,746
Current portion operating lease liabilities	198,150	29,701
Total current liabilities	4,558,242	2,074,775
Deferred franchise fees, net of current portion	16,479,272	4,869,898
Operating lease liability, net of current portion	834,044	95,071
	17,313,316	4,964,969
Total liabilities	21,871,558	7,039,744
Members' equity	84,342,310	25,336,253
Total liabilities and members' equity	$ 106,213,868	$ 32,375,997

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Operations
Years Ended December 31, 2023 and 2022

		2023		2022
Revenues:				
Franchise fee revenue	**$**	**6,507,714**	$	2,171,527
Support services		**666,668**		-
Total revenues		**7,174,382**		2,171,527
Operating expenses:				
Cost of services		**306,538**		-
General and administrative expenses		**5,531,685**		2,986,145
Payroll and benefits		**3,885,484**		1,755,242
Transaction expenses		**1,579,290**		1,502,800
Amortization and depreciation expense		**3,040,926**		919,800
Other operating expenses		**546,426**		15,406
Total operating expenses		**14,890,349**		7,179,393
Net loss	**$**	**(7,715,967)**	$	(5,007,866)

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Changes in Members' Equity
Years Ended December 31, 2023 and 2022

Balance, January 1, 2022	$ 7,844,119
Contributed capital	22,500,000
Net loss	(5,007,866)
Balance at December 31, 2022	25,336,253
Contributed capital	66,722,024
Net loss	(7,715,967)
Balance at December 31, 2023	**$ 84,342,310**

See notes to consolidated financial statements.

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Net loss	$ (7,715,967)	$ (5,007,866)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,040,926	919,800
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	146,847	(453,957)
Prepaid expenses and other current assets	(235,413)	(44,821)
Other assets	2,716	(6,575)
Contract costs	(1,143,324)	(117,661)
Accounts payable and accrued expenses	(538,706)	142,018
Deferred franchise fees	1,532,134	300,099
Operating lease assets and liabilities	95,605	2,926
Net cash used in operating activities	(4,815,182)	(4,266,037)
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	(46,199,803)	(13,055,236)
Purchase of intangible assets	-	(40,512)
Purchase of property and equipment	(1,355,072)	(1,270)
Net cash used in investing activities	(47,554,875)	(13,097,018)
Cash flows from financing activities:		
Proceeds from capital contributions	52,722,024	20,000,000
Net cash provided by financing activities	52,722,024	20,000,000
Net increase in cash and cash equivalents	351,967	2,636,945
Cash and cash equivalents, beginning	7,906,497	5,269,552
Cash and cash equivalents, ending	$ 8,258,464	$ 7,906,497

(Continued)

EHC Holding Company, LLC and Subsidiaries

Consolidated Statements of Cash Flows (Continued)
Years Ended December 31, 2023 and 2022

	2023	2022
Supplemental schedule of noncash operating, investing and financing activities:		
Acquisition of businesses:		
Assets acquired	$ 40,044,046	$ 7,257,883
Liabilities assumed	(13,661,493)	(5,078,960)
Net identifiable assets acquired	26,382,553	2,178,923
Goodwill	34,390,411	14,545,344
Net assets acquired	60,772,964	16,724,267
Less cash acquired	(992,260)	(620,715)
Add due from seller	419,099	45,924
Less contingent consideration	-	(594,240)
Less units issued as consideration	(14,000,000)	(2,500,000)
Cash purchase price	$ 46,199,803	$ 13,055,236

See notes to consolidated financial statements.

Note 1. Summary of Significant Accounting Policies

Nature of business: EHC Holding Company, LLC and Subsidiaries (the Company) through its wholly owned subsidiaries, including Executive Home Care Franchising, LLC (EH), ALL Franchising, LLC (ALL), ALL Licensing, LLC (Licensing), B&P Burke, LLC (Grasons), Brothers Franchising, LLC (Brothers), and Brothers That Just do Gutters, LLC (BG).

EH is a franchisor that provides home care services to the elderly, physically handicapped and injured, allowing them to live at home. Executive Homecare began operations in 2004.

ALL is a franchisor that provides senior care placement and referral service for in-home companion care, independent retirement options, assisted living, memory care, and skilled nursing facilities. Assisted Living Locators began operations in 2006 and provides services nationwide.

Licensing is an operating company that owns technology used by ALL.

Grasons is a franchisor that provides services for estate sales and business liquidation services. Grasons was established in 2011 and conducts operations from its principal office in California.

Brothers is a franchisor that provides services associated with gutter instillation, repair, and maintenance.

BG operates a Brothers franchise.

Significant accounting policies:

Basis of presentation: The consolidated balance sheets is presented as of December 31, 2023 and 2022. The consolidated statements of operations, changes in members' equity, and cash flows are presented for the years ended of December 31, 2023 and 2022. The accompanying consolidated financial statements of the Company include its wholly owned subsidiaries.

All intercompany transactions have been eliminated. The accompanying consolidated financial statements have been prepared in accordance with accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets accounting principles generally accepted in the United States of America (U.S. GAAP) that the Company follows to ensure its financial condition, results of operations, and cash flows are consistently reported. References to U.S. GAAP issued by the FASB in these notes to the consolidated financial statements are to the FASB Accounting Standards Codification (ASC).

Revenue recognition policy: The Company recognizes revenue in accordance with ASC 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenue from contracts with customers as follows: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as performance obligations are satisfied.

Note 1. Summary of Significant Accounting Policies (Continued)

Nature of services - The Company's franchise agreements include (a) the right to use its symbolic intellectual property over the term of each franchise agreement, (b) preopening services, such as training, (c) ongoing services, such as management of the national brand fund contributions and support services for the franchisees and (d) for certain subsidiaries, a license to use the Company's internal-use software, which is hosted on the Company's software as a service (SaaS) platform. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day to day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities). Revenue earned from providing the services is collectively referred to as franchise fee revenue.

The Company's franchise fee revenue includes franchise royalties, franchise fees, advertising fund contributions and support services performed for franchisees. Initial franchise fees are based on the market type selected and are paid at the time an individual franchise agreement is signed.

The Company also operates a franchise location. The revenue for this consists of revenue recognized at a point in time as the service is completed.

Payment terms - The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods and services to the customer. Agreements may include initial and renewal franchise fees, sales-based royalties, and fees for administrative services performed for the franchisee.

The Company believes its franchising agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Revenue recognition - Initial and renewal franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement beginning when the agreement is signed. Franchise agreements typically have a term of 10 years with the option to renew for an additional five years if the franchisee is in compliance with the terms of the franchise agreement.

Continuing royalties are calculated as a percentage of franchisees' reported sales that are related entirely to the Company's performance obligation under the franchise agreement. These royalties are considered variable consideration, but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized as franchisee sales occur. Advertising contributions received from the Company's franchisees are recorded as a component of franchise fee revenue in the consolidated statements of operations.

Contract balances - The Company records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred franchise fees) also is recorded. Revenue is recognized on a straight-line basis over the life of the franchise agreement.

Note 1. Summary of Significant Accounting Policies (Continued)

Commission costs - The Company defers those direct and incremental costs associated with the sale of franchises. Contract costs are charged to earnings when the related deferred franchise and territory fees are recognized as revenue over the term of the respective agreement. The Company has determined the period of benefit for direct and incremental costs associated with the sale of franchises to be the initial term of the franchise agreement. Expense is recognized on a straight-line basis commensurate with the pattern of revenue recognition. Contract costs are recorded in other assets in the accompanying consolidated balance sheets.

Advertising funds - The Company collects funds from its franchisees for advertising pursuant to the Company's franchise agreements at a percentage of franchisee sales. These advertising services are not considered distinct because they are highly dependent and interrelated to the franchise right. Advertising contributions are considered part of the transaction price for the franchise right and recognized as revenue as the underlying sales occur. The advertising costs incurred for franchisees will be expensed in accordance with the Company's normal policy.

Cash and cash equivalents: The Company considers all short-term, highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents. Cash equivalents consist of money market accounts.

Accounts receivable: Accounts receivables represent amounts due from franchisees pursuant to their individual franchise agreements. Accounts receivables are stated at historical value which approximates fair value. The allowance for credit losses on accounts receivables represents the Company's estimate of expected credit losses over the lifetime of the receivables. This estimation process is based on historical experience, current conditions, asset-specific risk characteristics and reasonable and supportable forecasts about future economic and market conditions. Accounts receivables are written off when deemed uncollectible. Recoveries of royalty receivables previously written off are recorded when received. The allowance for credit loss was approximately $144,000 and $37,000 for the years ended December 31, 2023 and 2022, respectively. The Company will continue to monitor and evaluate the adequacy of the allowance for credit losses on accounts receivable on a regular basis and make adjustments as necessary in response to changes in economic conditions and credit quality indicators.

The Company adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326*), on January 1, 2023. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instruments which would include accounts receivables. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against account receivable balances based on current and historical information. The adoption of this ASU did not have a material effect on the Company's financial statements.

Concentration of credit risk: The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents. The Company grants credit to its franchisees and customers. Consequently, the Company's ability to collect the amounts due from franchisees and customers is affected by economic fluctuations. The Company routinely assesses the financial strength of its franchisees and customers and believes that its accounts receivable credit risk exposure is limited.

Note 1. Summary of Significant Accounting Policies (Continued)

Software development costs: Costs for software developed for internal use are accounted for in accordance with ASC 350, Intangibles—Goodwill and Other - Internal-Use Software. ASC 350 requires the capitalization of certain costs incurred in connection with developing or obtaining internal-use software. In accordance with ASC 350, the Company expenses costs incurred in the preliminary project stage of developing or acquiring internal use software, such as research and feasibility studies, as well as costs incurred in the post-implementation/operational stage, such as maintenance and training. Capitalization of software development costs occurs only after the preliminary project stage is complete, management authorizes the project, and it is probable that the project will be completed and the software will be used for the function intended. Costs associated with the purchase and development of computer software are capitalized and amortized on a straight-line basis over the estimated useful life of the related asset. Software development costs are recorded in property and equipment in the accompanying consolidated balance sheets. The Company capitalized software development costs of approximately $1,271,000 and $0 for the years ended December 31, 2023 and 2022, respectively.

Property and equipment: Property and equipment are stated at cost, net of accumulated depreciation and amortization. Expenditures for additions and improvements are capitalized while maintenance and repair expenditures are charged to operations as incurred. When assets are sold or otherwise retired from service, their cost and related accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in the results of operations. Depreciation and amortization is computed using the straight-line method. Property and equipment have estimated useful lives of three to ten years. Depreciation expense for the years ended December 31, 2023 and 2022, was approximately $98,000 and $700, respectively.

Goodwill and intangibles: Goodwill is recognized for the excess of the fair value of an acquired business over the fair value of the identifiable net assets acquired. Under ASC 350, Intangibles—Goodwill and Other, the Company elected the accounting alternative to amortize goodwill on a straight-line basis over 10 years.

The Company has elected the provisions of ASU 2014-18, *Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination*. ASU 2014-18 specifies that a private company that elects the accounting alternative to recognize or otherwise consider the fair value of intangible assets as a result of any in-scope transactions should no longer recognize separately from goodwill: (1) customer-related intangible assets unless they are capable of being sold or licensed independently from the other assets of the business and (2) noncompetition agreements.

The Company tests its recorded goodwill for impairment upon a triggering event. Factors that could trigger an impairment test include, but are not limited to, underperformance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the overall business, significant negative industry or economic trends and a sustained period where market capitalization, plus an appropriate control premium, is less than member's equity. Goodwill is tested using a fair-value approach at the entity level. No indicators of impairment were identified for the years ended December 31, 2023 and 2022.

Intangible assets include franchise agreements, trade names, and developed technology. Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range between five to 14 years.

Note 1. Summary of Significant Accounting Policies (Continued)

Long-lived assets: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If impairment is considered, recoverability of these assets is measured by a comparison of the carrying amount of the asset to estimated future undiscounted cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount of which the carrying amount of the asset exceeds the fair value of the asset. No impairment loss has been recognized by the Company as of December 31, 2023 and 2022.

Leases: In February 2016, the FASB issued ASC 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. ASC 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in ASC 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The Company adopted ASC 842 on January 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period consolidated financial statements. Under this transition provision, the Company has applied ASC 842 to reporting periods beginning on January 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Company's historical accounting treatment under ASC 840, Leases.

The Company elected the package of practical expedients under the transition guidance within ASC 842, in which the Company does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases or (3) the initial direct costs for any existing leases. The Company has not elected to adopt the hindsight practical expedient, and therefore measured the ROU asset and lease liability using the remaining portion of the lease term upon the adoption of ASC 842 on January 1, 2022.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under ASC 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or January 1, 2022, for existing leases upon the adoption of ASC 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of ASC 842).

Note 1. Summary of Significant Accounting Policies (Continued)

The Company has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its various asset classes. The nonlease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of ASC 842 resulted in the recording of additional ROU assets and lease liabilities related to the Company's operating leases of approximately $153,000 at January 1, 2022. The adoption of the new lease standard did not materially impact consolidated net earnings or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of retained earnings.

Fair value measurements: The Company uses the fair value measurement and disclosure guidance for all assets and liabilities that are recognized or disclosed at fair value in the consolidated financial statements. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various methods including market, income and cost approaches. Based on these approaches, the Company often utilizes certain assumptions that management believes market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2: Inputs to the valuation methodology include quoted prices in markets that are not active or quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable, reflecting the entity's own assumptions about assumptions market participants would use in pricing the asset or liability.

Income taxes: As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. As such, the taxable income of the Company is allocated in the tax returns of its members for federal and state tax purposes in accordance with their respective percentage ownership. Accordingly, no provision for federal income taxes is included in the consolidated financial statements. Entity-level, composite state and local income taxes (benefits) are accrued at the applicable rates, if any, and are included in the consolidated statements of operations.

The FASB provides guidance for how uncertain tax provisions should be recognized, measured, disclosed, and presented in the consolidated financial statements. The Company identifies its tax positions taken or expected to be taken in the course of preparing its tax returns and determines whether any tax positions are more likely than not of being sustained when challenged or when examined by the applicable tax authority. Management has determined that there are no uncertain tax positions at December 31, 2023 and 2022.

Note 1. Summary of Significant Accounting Policies (Continued)

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: The Company evaluated subsequent events for potential required disclosure through April 18, 2024, which is the date the consolidated financial statements were available to be issued.

Note 2. Acquisition of Businesses

Assisted Living Locators: On August 24, 2022, the Company acquired ALL and Licensing. ALL is a franchisor and the franchises provide senior placement and referral services. Licensing is an operating company that owns technology used by ALL. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of ALL and Licensing, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the ALL's and Licensing's fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, ALL's and Licensing's presence in the marketplace and their long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:	
Cash	$ 10,604,497
3,409 Class A shares of EHC Holding Company, LLC	2,500,000
Total invested capital	$ 13,104,497
Recognized amount of identifiable assets acquired and liabilities assumed:	
Cash	$ 554,552
Receivables	90,587
Prepaid assets	63,265
Contract assets	1,535,871
Intangible assets	4,212,000
Other asset	20,232
Accounts payable	(198,630)
Accrued expenses and other liabilities	(246,569)
Contract liabilities	(4,004,575)
Total identifiable net assets acquired	2,026,733
Goodwill	11,077,764
	$ 13,104,497

Note 2. Acquisition of Businesses (Continued)

The fair value of the 3,409 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

Transaction expenses of approximately $1,077,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022

Of the $4,212,000 of identified intangible assets, $2,736,000 was assigned to franchise agreements, $1,034,000 was assigned to trade name, and $442,000 was assigned to developed technology. Each were determined to have useful lives of 10 years, 14 years and five years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.45 years. Franchise agreements, trade names, and developed technology were valued using the multiperiod excess earnings method, relief from royalty method, and cost-to-recreate method, respectively.

Grasons: On November 21, 2022, the Company acquired Grasons. Grasons is a franchisor and the franchises provides downsizing and estate sale services, business liquidation services, senior transition assistance, home staging, and home organization services. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Grasons, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the consolidated financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

The goodwill arising from the above acquisition is largely due to the Grasons' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Grasons' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Note 2. Acquisition of Businesses (Continued)

Consideration:	
Cash	$ 3,071,454
Contingent consideration	594,240
Due from seller	(45,924)
Total invested capital	$ 3,619,770

Recognized amount of identifiable assets acquired and liabilities assumed:	
Cash	$ 66,163
Accounts receivable	25,255
Other current assets	12,508
Deposits	1,450
Intangible assets	676,000
Accounts payable	(792)
Accrued expenses and other liabilities	(23,777)
Deferred revenue	(604,617)
Total identifiable net assets acquired	152,190
Goodwill	3,467,580
	$ 3,619,770

The Company engaged an independent valuation firm to assist with the valuation of intangible assets using the relief from royalty method.

Contingent consideration in the amount of $594,240 was recognized at the date of acquisition and is included in the balance sheet within the accrued expenses line item at December 31, 2022. The contingent consideration is based on annual royalties for the 12 months ended December 31, 2022 multiplied by an agreed upon rate. The contingent consideration was settled for approximately $492,000 and goodwill was adjusted for approximately $102,000 in 2023.

Transaction expenses of approximately $404,000 were incurred as a result of the business combination and have been expensed by the Company and included in the consolidated statement of operations within the transaction expenses line item for the year ended December 31, 2022

Of the $676,000 of identified intangible assets, $295,000 was assigned to franchise agreements and $381,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 12.25 years. Franchise agreements and trade names were valued using the multiperiod excess earnings method and relief from royalty method, respectively.

Brothers: on November 22, 2023, the Company acquired Brothers and BG (collectively Brothers Gutters). Brothers Gutters includes a franchisor and the franchises provide services associated with gutter installation, repair and maintenance. In addition, one franchisee was acquired. As a result of the transaction, the Company gains penetration into this industry. The Company obtained control of the business by acquiring 100% of the membership interests of Brothers Gutters, therefore the acquisition was accounted for as a business combination. The results of this acquisition have been included in the financial statements since the date of the acquisition.

The acquisition was funded through cash contributions of equity.

Note 2. Acquisition of Businesses (Continued)

The goodwill arising from the above acquisition is largely due to the Brothers Gutters' fair value of certain intangible assets along with the assembled workforce subsumed into goodwill, Brothers Gutters' presence in the marketplace and its long-term expected revenue growth. The goodwill is deductible for income tax purposes.

The following table summarizes the consideration paid and the amounts of the assets acquired, and liabilities assumed at the date of acquisition:

Consideration:	
Cash	$ 47,192,063
14,709 Class A shares of EHC Holding Company, LLC	14,000,000
Due from seller	(419,099)
Total purchase consideration	$ 60,772,964
Fair value of identifiable assets acquired and liabilities assumed:	
Cash	$ 992,260
Accounts receivable	1,082,985
Inventory	47,089
Prepaid assets	108,930
Fixed asset	780,949
Contract assets	9,154,927
Intangible assets	27,157,000
Right-of-use asset and other assets	719,906
Accounts payable	(497,365)
Accrued expenses and other	(458,242)
Lease liabilities	(628,435)
Contract liabilities	(12,077,451)
Total identifiable net assets acquired	26,382,553
Goodwill	34,390,411
	$ 60,772,964

The fair value of the 14,709 Class A Units was determined based on the value of the Company at the acquisition date, using unobservable inputs.

The primary area of the preliminary valuation that is not yet finalized relates to the on-going negotiation with the Company and the seller on the working capital adjustment. An estimate of $419,099 was recorded at December 31, 2023.

Transaction expenses of approximately $1,579,000 were incurred as a result of the business combination and have been expensed by the Company and included in the statement of operations within the transaction expenses line item for the year ended December 31, 2023.

Of the $27,157,000 of identified intangible assets, $21,578,000 was assigned to franchise agreements and $5,579,000 was assigned to trade name. Each were determined to have useful lives of 10 years and 14 years, respectively. The weighted-average useful life in years for the identified intangible assets in aggregate was 10.8 years. Franchise agreements and trade names were valued using the multi-period excess earnings method and relief from royalty method, respectively.

Note 3. Property and Equipment

Property and equipment is summarized as follows:

	2023	2022
Furniture and fixtures	$ 386,373	$ 2,367
Computer equipment and software	1,450,561	-
Equipment	50,890	-
Leasehold improvements	250,564	-
Total property and equipment	2,138,388	2,367
Less accumulated depreciation and amortization	(98,734)	(696)
Property and equipment, net	$ 2,039,654	$ 1,671

Note 4. Intangible Assets and Goodwill

Following is a summary of intangible assets:

	December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	$ 24,937,000	$ 711,414	$ 24,225,586
Trade names	7,126,000	248,785	6,877,215
Developed technology	482,512	128,614	353,898
	$ 32,545,512	$ 1,088,813	$ 31,456,699
Goodwill	$ 51,475,640	$ 2,822,649	$ 48,652,991

	December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Franchise agreements	$ 3,359,000	$ 139,043	$ 3,219,957
Trade names	1,547,000	60,174	1,486,826
Developed technology	482,512	32,112	450,400
	$ 5,388,512	$ 231,329	$ 5,157,183
Goodwill	$ 17,187,323	$ 737,245	$ 16,450,078

Note 4. Intangible Assets and Goodwill (Continued)

The change in the carrying value of goodwill for the year ended December 31, 2023 and 2022, is as follows:

Balance at December 31, 2021	$ 2,602,433
Additions of goodwill	14,545,344
Amortization expense	(697,699)
Balance at December 31, 2022	$ 16,450,078
Additions of goodwill	34,390,411
Reduction of contingent consideration	(102,094)
Amortization expense	(2,085,404)
Balance at December 31, 2023	$ 48,652,991

Amortization expense recognized on intangible assets and goodwill totaled approximately $2,943,000 and $919,000 as of December 31, 2023 and 2022, respectively.

The future estimated aggregate amortization expense for intangibles and goodwill is as follows for each of the next five years ending December 31:

	Goodwill	Intangibles
Years ending December 31:		
2024	$ 5,147,564	$ 3,275,574
2025	5,147,564	3,275,574
2026	5,147,564	3,275,574
2027	5,147,564	3,239,050
2028	5,147,564	3,152,671

Note 5. Leases

The Company leases three offices under operating lease agreements that have an initial term of 3 - 6 years. Some leases include one or more option to exercise renewal terms that can extend the lease term for more years, at the Company's sole discretion. In addition, some leases contain rights to terminate whereby those termination options are held by either the Company, the lessor, or both parties. These options to extend or terminate the lease are included in the lease terms only when it is reasonably certain that the Company will exercise that option. The Company's leases generally do not contain any material restrictive covenants.

Operating lease cost is recognized on a straight-line basis over the lease term. Lease expense is approximately $106,000 and $29,000 for the years ended December 31, 2023 and 2022, respectively. For the years ended December 31, 2023 and 2022, weighted average remaining on lease term is 4.7 years and 3.8 years and the weighted average discount rate is 2.64% and 1.37%, respectively.

Note 5. Leases (Continued)

Supplemental cash flow information related to leases is as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Operating leases:		
Operating cash outflows—payments on operating leases	$ 91,762	$ 30,150
Right-of-use assets in exchange for new lease obligations:		
Operating leases	$ 1,084,556	$ -

The future minimum rentals under this lease for the years subsequent to December 31, 2023, are as follows:

Years ending December 31:	
2024	$ 222,245
2025	230,942
2026	228,719
2027	203,733
2028	139,664
Thereafter	53,632
Total lease payments	1,078,935
Less imputed interest	(46,741)
Total present value of lease liabilities	$ 1,032,194

Note 6. Related-Party Transactions

A company related to the Company's majority member, charges the Company for financial and management services under a management services agreement for reimbursement of reasonable direct expenses, which is included in general and administrative expenses on the accompanying consolidated statements of operations. The total expense for the years ended December 31, 2023 and 2022, is approximately $568,000 and $500,000, respectively.

Note 7. Members' Equity

Members' equity consisted of the following membership units:

	2023	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	109,546
Class B Units	1,000,000	1,661

	2022	
	Units Authorized	Units Issued and Outstanding
Class A Units	1,000,000	39,316
Class B Units	1,000,000	823

Class A Units have voting rights on all matters requiring the consent, approval or vote of the Members. The Class A Units receive preference on distributions.

Class B Units are deferred units that do not have voting rights and have been issued to designated management employees of the Company without any corresponding capital contribution. The holders of these units are entitled to share in the appreciation of the Company's assets that occur subsequent to the date of grant. The Class B Units are dilutive to the participating preferred units. The units substantially vest upon a change in control of the Company, if still employed.

The Company has issued 2,062 and 823 units to certain management employees as of December 31, 2023 and 2022 and had 1,224 units forfeited as of December 31, 2023.

No compensation expense is recognized on the Class B units as their vesting condition is not considered probable until a change in control occurs.

Note 8. Phantom Stock

During 2023, the Company adopted a phantom deferred unit plan. Each share of phantom deferred unit awarded to eligible individuals represents a contractual right to receive an amount in cash equal to the fair value of the unit upon the occurrence of a significant sale. The Company has authorized 1,000,000 units and 3,286 units are outstanding at December 31, 2023. No compensation expense is recognized on the phantom stock deferred units as their vesting condition is not considered probable until a significant sale occurs.

EXHIBIT G-2

TO DISCLOSURE DOCUMENT

[See Attached]

GUARANTEE OF PERFORMANCE

For value received, EHC Holding Company, LLC, a Delaware limited liability company (the "Guarantor"), located at 630 Fifth Avenue, Suite 400, New York, NY 10111, absolutely and unconditionally guarantees to assume the duties and obligations of Executive Home Care Franchising, LLC, a New Jersey limited liability company, located at 8100 E. Indian School Road, Suite 201, Scottsdale, Arizona 85251 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Scottsdale, Arizona on the 20th day of April, 2026.

Guarantor:

EHC Holding Company, LLC

By: ______________________

Gregory R. Esgar, CFO

EXHIBIT "H"

TO DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

State Effective Dates

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

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	May 16, 2025 (amended April 22, 2026)
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT "I"

TO DISCLOSURE DOCUMENT

RECEIPTS

[See Attached]

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Executive Home Care Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with 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 that relates to the franchise relationship.

If Executive Home Care Franchising, LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in EXHIBIT "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are:

____ Jason Wiedder; 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251; (855) 393-2372

____ Jessica Currie; 8100 E. Indian School Rd., Suite 201, Scottsdale, Arizona 85251; (855) 393-2372

____ [____]

Issuance Date: April 20, 2026

Executive Home Care Franchising, LLC's agent to receive service of process is listed in EXHIBIT "A" to this Disclosure Document (for franchise registration states) or EXHIBIT "B" to this Disclosure Document (for all other states).

I received a Franchise Disclosure Document that included the following Exhibits:

EXHIBIT "A"	List of State Administrators and Agents for Service of Process
EXHIBIT "B"	Agent for Service of Process
EXHIBIT "C"	Franchise Agreement
EXHIBIT "D"	Other Agreements
EXHIBIT "D"-1	State Addenda
EXHIBIT "D"-2	Franchisee Disclosure Questionnaire
EXHIBIT "D"-3	General Release
EXHIBIT "E"	Table of Contents of the confidential Brand Standards Manual
EXHIBIT "F"	List of Franchisees
EXHIBIT "G"	Financial Statements of Executive Home Care Franchising, LLC
EXHIBIT "H"	State Effective Dates
EXHIBIT "I"	Receipts

____
Print Name

______________________ Date

____
(Signature) Prospective Franchise Owner

____

(This Receipt should be executed in duplicate. One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner's copy. The other Receipt must be signed and returned to Executive Home Care Franchising, LLC)

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

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Print Name

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Date (Signature) Prospective Franchise Owner

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