FRANCHISE DISCLOSURE DOCUMENT

Home Care for the 21st Century, LLC
A Delaware limited liability company
3911 Golf Park Loop, Suite 104
Bradenton, FL 34203
941-723-1100
lorim@homecareforthe21stcentury.com
www.homecareforthe21stcenturyfranchise.com

As a Home Care for the 21st Century franchisee, you will operate a home health care agency, which provides the temporary services of home health care which may include companion care, personal care, skilled nursing, hospice care, non-emergency medical transportation, durable medical equipment, and medical staffing.

The total investment necessary to begin operation of a Home Care for the 21st Century franchise is $209,900 to $273,500. This includes $69,500 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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Lori McCauley at 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203, and 941-723-1100.

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

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

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

Issuance date: July 15, 2022

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 D 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 Home Care for the 21st Century business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Home Care for the 21st Century 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*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit 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. **<u>Out-of-State Dispute Resolution</u>.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.

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

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

(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)

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 documents 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 protection 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 sub-franchisor.

(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, 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
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373-7117

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EXHIBITS

Item 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, "we", "us," or "our" refers to Home Care for the 21st Century, LLC. "You" means the person to whom we grant a franchise. Although you will sign our franchise agreement as individual person, you will operate your Home Care for the 21st Century business through one or more entities that you own.

Us, Our Predecessors, and Our Parents

Our name is Home Care for the 21st Century, LLC. We are a Delaware limited liability company formed on May 25, 2022. Our principal business address is 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203.

We have been offering franchises since the date of this disclosure document.

Our immediate predecessor's name is Home Care for the 21st Century, LLC ("Immediate Predecessor"). It was a Florida limited liability company formed on April 3, 2018. As part of a 2022 restructuring and recapitalization of Immediate Predecessor (the "2022 Recapitalization"), it merged into us effective May 31, 2022, with us as the surviving entity. Its principal business address was the same as ours. Immediate Predecessor offered Home Care for the 21st Century franchises from 2020 to May 2022. It did not operate businesses of the type you will operate, nor did it grant franchises in any other line of business.

The original predecessor was 21st Century Home Care Franchise, LLC ("Original Predecessor"). Its principal business address was the same as ours. Original Predecessor offered Home Care for the 21st Century franchises in 2019 and 2020. It did not operate businesses of the type you will operate, nor did it grant franchises in any other line of business. Effective as of the date of the 2022 Recapitalization, we have assumed the ongoing franchisor obligations for all franchise agreements sold by the Original Predecessor.

We use the names "Home Care for the 21st Century, LLC" and "Home Care for the 21st Century". We do not intend to use any other names to conduct business.

Our agent for service of process in Florida is John V. Dapello, and the agent's principal business address is 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203. Our agents for service of process in other states are disclosed in Exhibit A.

As a result of the 2022 Recapitalization, Home Care for the Twenty First Century Holdings, LLC ("Holdings"), became our immediate parent. Holdings is a Delaware limited liability company that has a principal business address of 20 William Street, Suite 250, Wellesley, Massachusetts 02481. Holdings is majority-owned by Gemini Investors VII, L.P. ("Gemini LP"), a Delaware limited partnership, with the same principal business address, and minority-owned by Dapello Franchise Holdings, Inc. ("Dapello Holdings"), a Delaware corporation, with its principal business address at 1884 Southpointe Drive, Sarasota, FL 34231. Neither Holdings, Gemini LP, nor Dapello Holdings offer franchises in any line of business or provide products or services to our franchisees.

Our Affiliates

We have several affiliates required to be disclosed in this Item 1.

Our affiliate, Twenty First Century Health Care Consultants, LLC, a Delaware limited liability company (formerly known as Twenty First Century Health Care Consultants, Inc., a Florida corporation), has trained more than 3,000 independent business in providing home health services and will provide enrollment and credentialing services to you. This affiliate's business address is 3910 Golf Park Loop, Bradenton, FL 34203. It does not operate or offer a franchise for the type of business you will operate; nor does it offer franchises in any other line of business.

As a result of the 2022 Recapitalization, through common control with other private equity funds managed by Gemini Managers, Inc. ("Gemini"), a Wellesley, Massachusetts based private equity firm, we became affiliated with the following entities that offer franchises or licenses within the United States:

- ABCSP, LLC ("ABC"), a California limited liability company, with a principal business address of 1406 Blue Oaks Blvd, Roseville, California 95747, offers a franchise of non-medical in-home personal care, skilled in-home nursing services and assisted living/residential care placement services under the name "Always Best Care Senior Services." ABC's predecessor began offering franchises in December 2006. As of December 31, 2021, there were approximately 224 franchised ABC outlets operating in the U.S.

- Corporate Caterers Franchisor, LLC ("Caterers"), a Florida limited liability company, with a principal business address of 13335 SW 124th Street, Suite 201, Miami, Florida 33186, offers a franchise for freshly prepared food items for catering breakfast and lunch for businesses. Caterers' predecessor began offering franchises in March 2007. As of December 31, 2021, there are approximately 27 franchised Caterers outlets and 2 company-owned Caterers outlets operating in the U.S.

- Disaster Kleenup International, LLC ("DKI"), a Delaware limited liability company, with a principal business address of 25 Northwest Point Blvd. Suite 1000, Elk Grove Village, IL 60007, offers a franchise for professional restoration services under the name and marks "DKI" by providing an end-to-end claims administration solution through a technology-enabled, managed services model. DKI's predecessor began offering franchises in April 1995. As of December 31, 2021, there were approximately 300 franchised DKI outlets operating in the U.S.

We have no other affiliates that are required to be disclosed in this Item 1.

Information About Our Business and the Franchises Offered

We do not operate businesses of the type being franchised. We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate a home health care agency under the trade name Home Care for the 21st Century. We operate in eight business segments.

When you start your franchised business, you must at a minimum offer either (a) personal care and companion care, or (b) skilled nursing services. You will then have a schedule to begin offering additional services. You must eventually offer all of the following services (unless state restrictions prevent from you offering a particular service):

- Companion care
- Personal care
- Home healthcare skilled nursing services - private duty
- Home healthcare skilled nursing services – Medicare
- Hospice

You may, but are not required to, offer the following services:

- Medical staffing
- Durable medical equipment (DME)
- Non-emergency medical transportation (NEMT)

Before you add any new Required Service or Optional Service, you must meet the following requirements: (1) we have authorized you to add additional services to your business, (2) you and your personnel have completed all required training; (3) you have purchased all the necessary equipment and met all other applicable System Standards; and (4) you have received all necessary permits, licenses, and governmental approvals.

None of the services we offer are intended to be the "practice of medicine" under applicable law. We do not allow franchisees to engage in any activity which would considered be the practice of medicine their state.

We and our affiliates support your franchise through services such as:

- Managing your licensing process
- Publishing policies and procedures for your business
- Obtaining credentials
- Assisting you with certification/accreditation
- Billing, collections, and financial reporting (currently provided through a third-party vendor.)
- Quality assessment / assurance program
- Strategic, traditional, and digital marketing
- Our "Home Care University", including bootcamps and workshops
- Recruitment strategy
- Onsite and off-site sales support
- Budgeting and financial forecasts

Although we manage your license process on your behalf, we do not guarantee that you will be able to obtain all required government licenses to operate your business. The applicable government authority may decide to cease issuing licenses, or you might be unable to obtain licenses for other reasons beyond our control. If you cannot start your business because the governmental authority ceases to issue licenses, you may terminate your franchise agreement, but you will not receive a refund.

As described above and in Item 12, we have affiliates that provide services (including consulting, assistance in entering into business, training and education, credentialing and licensing, quality assurance, marketing, and strategic planning) to other parties that are not Home Care for the 21st Century franchisees, including independent agencies and third parties that may offer services in your territory that directly compete with you.

The general market for home health care is well developed and growing as the U.S. population ages. Our clients are primarily senior citizens and disabled adults. Sales are not seasonal.

You will compete against national companies, regional companies, and independent owners of business providing some or all of the services you provide. Some of these competitors are franchised. Initially, some competitors may have greater resources and greater brand recognition than you.

Laws and Regulations

To operate a home care agency in most states, you must obtain a home care license from the state. The requirements for the license vary from state to state. States may require a minimum level of education or related work experience and/or the payment of a fee in order to obtain the license. Many states also require a Certificate of Need before establishing certain types of health care facilities or offering services, such as providing home health care services, and therefore might not allow more facilities or service providers to open.

To provide medical / skilled care (such as services provided by registered nurses, physical and occupational therapists, speech therapists, social work, and nutritionists), your staff would need to have the applicable state licenses, and your business may need one or more particular state licenses as well.

There are a various federal laws and regulations prohibiting certain activities and arrangements relating to payment by Medicare or Medicaid. Certain provisions of the Social Security Act, commonly referred to as the "Anti-kickback Amendment," prohibit the offer, payment, solicitation, or receipt of any form of remuneration either in return for the referral of Medicare or state health program patients or patient care opportunities, or in return for the recommendation, arrangement, purchase, lease or order of items or services that are covered by Medicare or state health programs.

You must comply with rules and regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). HIPAA is a federal law which provides for the protection of individually identifiable health information. HIPAA rules and regulations affect the day-to-day business operations of all organizations that provide medical care and maintain personal health information, including your business.

Some states prohibit health care providers from splitting professional fees, i.e., sharing a portion of a professional fee with a person or business that does not also provide the same type of health care services. A number of states have enacted laws which prohibit payment for referrals and other types of “kickback” arrangements.

Some states require a license to operate as a staffing and employment agency. If you offer non-medical or medical staffing for healthcare facilities, you may need this license, which we help you obtain.

In some states and jurisdictions, you will need a state license to provide or service durable medical equipment. To obtain the license (if applicable), you may need to meet certain conditions, such as educational requirements, appropriate location, proof of insurance, and reporting requirements.

You are prohibited from engaging in any activities which would be considered the practice of medicine in your state.

Item 2
BUSINESS EXPERIENCE

Rosina McFadden – Founder and Clinical Director. Rosina McFadden has been Clinical Director of Twenty First Century Health Care Consultants, LLC and its affiliates from January 1996 to the present in Bradenton, Florida.

John Dapello – President. John Dapello has been President of Twenty First Century Health Care Consultants, LLC and its affiliates from January 2006 to the present, in Bradenton, Florida. He has also served on the Board of Managers of Holdings since June 2022.

Thomas Byrne – Chairman of Advisory Board. Thomas Byrne, a retired Group President for Manitowoc Corporation (a Fortune 500 company) has been Chairman of the Advisory Board of Twenty First Century Health Care Consultants, LLC and its affiliates from March 2010 to the present in Bradenton, Florida.

Lori McCauley – Vice President of Franchise Development. Lori McCauley has been our Vice President of Franchise Development in Bradenton, Florida since September 2019. She was Vice President of Sales & Operations of BrightStar Care in Gurnee, Illinois from Aug 2010 to January 2019.

Stephanie Ashenbremer – Chief Financial Officer. Stephanie Ashenbremer has been our Chief Financial Officer in Bradenton, Florida since August 2021. She was self-employed as a Consultant in Sarasota, Florida from March 2021 to August 2021. She was a Condo Association Manager in Longboat Key, Florida from May 2020 to July 2020. She was an Accounting Associate/Manager for Illinois State University in Normal, Illinois from March 2009 to June 2020.

Karen Bailey – Director of Clinical Services. Karen Bailey has been Director of Clinical Services from June 2020 to the present, and she was Field Surveyor – Home Health/Hospice Consultant from June 2015 to June 2020, for Twenty First Century Health Care Consultants, LLC and its affiliates in Bradenton, Florida.

Carol Byrne – National Sales Director. Carol Byrne has been National Sales Director for Twenty First Century Health Care Consultants, LLC and its affiliates from 2010 to the present in Bradenton, Florida.

Frances Alletto – Publishing Director. Frances Alletto has been Publishing Director for Twenty First Century Health Care Consultants, LLC and its affiliates from June 2008 to the present in Bradenton, Florida.

James Goodman – Manager. James Goodman has served on the Board of Managers of Holdings since June 2022 in Wellesley, Massachusetts. He has also served as the President of Gemini, based in Wellesley, Massachusetts, since its founding over 25 years ago.

Robert Menn – Manager. Robert Menn has served on the Board of Managers of Holdings since June 2022. He has also served as a Managing Director at Gemini since June 2018 and, since September 2007, he has been employed by Gemini in various capacities. All of these positions were based in Wellesley, Massachusetts.

Kelsey Broyles – Manager. Kelsey Broyles has served on the Board of Managers of Holdings since June 2022 in Wellesley, Massachusetts. She has also served as an Associate at Gemini in Wellesley, Massachusetts since April 2021. From June 2017 until February 2021, she worked as an Associate at Citizen Bank in Boston, Massachusetts.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

When you sign your franchise agreement, you must pay us an initial franchise fee equal to $69,500. If you will be offering only one business service and cannot expand into other models or services because of state specific restrictions, then franchise fee will be $49,500. The franchise fee is not refundable. In 2021, the franchise fee ranged from $64,500 to $69,500.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	A percentage of your gross sales for the previous month as follows: 6.9% up to $2 million gross sales from January 1 each year; 6.4% between $2 million and $3 million; 5.9% between $3 million and $4 million; and 5.4% over $4 million. Subject to minimum amount stated in Note 1.	Monthly, on the 25th day of the following month	See Notes 2, 3, and 4. We currently require you to submit a profit & loss statement by the 15th day of the following month, and we draft your payment on the 25th day of the month. We retain the right to change the due date in the future.
Billing, collections, and financial reporting	As determined by billing contractor, generally 3% - 6.5% of collections handled by the contractor; can vary by type of payor. See Note 5.	N/A	We will provide to you, though our designated third-party contractor, billing for private insurance and government payors. The services will include payment posting, follow-up and appeals, verification of benefits, financial reporting and internal auditing to include account receivables, productivity, monthly closing, claim issues, and aged trial balance. We reserve the right to modify this offering at any time. This fee is collected by the contractor; it is not paid to us. See Note 5.
Marketing Fund Contribution	1% of your gross sales for the previous month	Monthly, on the 25th day of the following month	See Notes 2, 3, and 4.

Type of Fee	Amount	Due Date	Remarks
Market Cooperative Contribution	As determined by co-op. Currently, none.	Monthly, on the 25th day of the following month	We have the right to establish local or regional advertising cooperatives. If you are a member of a cooperative, you and other members may vote to require each member to contribute between 1% and 5% of gross sales to the cooperative.
Operations Software subscription	Currently, $250 - $600 per month	Monthly	We require you to use certain software as described in Item 11. Your actual cost of software will be determined based on patient census and business model. You pay subscription fees directly to the software supplier, and not to us.
HR Software and Career Website subscription	Currently $150 - $300 per month	Monthly	We require you to use certain software as described in Item 11. You pay this fee directly to the vendor, and not to us.
Training Software subscription (optional)	Currently $425 - $650 per year based on model and census plus initial set up	Annual	You are not required to use this software. If you choose to do so, you pay this fee directly to the vendor, and not to us.
Accounting	$80	Monthly	We require you to use certain software as described in Item 11. You pay this fee directly to the vendor, and not to us.
Payroll	$45 per month plus fee per employee	Monthly	We require you to use certain software as described in Item 11. You pay this fee directly to the vendor, and not to us.
Non-compliance fee	$500	On demand	We may charge you $500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you $250 per week until you correct such non-compliance.

Type of Fee	Amount	Due Date	Remarks
Late fee	$100 plus interest on the unpaid amount at a rate equal to 10% per year	On demand	We may charge a late fee if you fail to make a required payment when due.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Breach of territory fee	The greater of (i) $500 or (ii) 75% of the amount paid by the client outside of your territory.	On demand	If you serve a client outside of your territory without our prior written permission, we may impose this fee.
Additional site visits / special support fee	Our then-current fee, plus our expenses. Currently, $2,500 per day.	On demand	At no cost to you, we currently provide two on-site visits to you per year if you are starting a new service model in that year. In other years, we provide one on-site visit at no cost to you. If you request additional site visits or other in-person support, we reserve the right to charge a fee (currently $2,500 per day).
Client complaint resolution	Our expenses	On demand	We may take any action we deem appropriate to resolve a client complaint about your business. If we respond to a client complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported gross sales by more than 3% for any month.
Special evaluation fee	Currently $800, plus our travel and other out-of-pocket costs	On demand	Payable only if we conduct an in-person evaluation of your business because of a governmental report, client complaint or other client feedback, or your default or non-compliance with any system specification.

Type of Fee	Amount	Due Date	Remarks
Renewal fee	10% of then-current initial franchise fee (but not less than $7,000)	Upon renewal	Payable if you enter into a renewal or successor agreement with us.
Transfer fee	$20,000 if the buyer is a new franchisee; $10,000 if the buyer is already a franchisee of our system; plus, any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than fees payable to approved third party vendors as described above). All fees are imposed by us and collected by us (other than fees payable to approved third party vendors as described above). All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate.

There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you. If we establish a marketing or purchasing cooperative, any franchisor-owned business in the cooperative will have the same voting rights as any franchisee-owned business.

Notes

1. Your minimum monthly royalty payment is as follows:

Months In Operation	Minimum Royalty Fee
1-2 months	No Minimum
3-12 months	$500/month

Months In Operation	Minimum Royalty Fee
13-24 months	$1,000/month
25-36 months	$1,800/month
37-48 months	$2,500/month
49 and all months thereafter	$3,200/month

2. “Gross Sales” is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. Gross Sales does not include (i) bona fide refunds to clients, or (ii) sales taxes collected.

3. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method.

4. You must report your gross sales to us each month. If you fail to report your gross sales, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent gross sales you reported. We will true-up the actual fees after you report gross sales.

5. We currently require you to use our designated vendor for the collection service. As part of this process:

- You must transmit the Outcome and Assessment Information Set (OASIS) before billing
- Any and all EOB (Explanation of Benefits) or Remittance Advices (RA), or insurance related correspondence or checks that may come to you by mail or fax must be sent to the designated vendor by fax or email
- Our designated vendor will set up EOB/RA electronically on your behalf whenever possible
- Our designated vendor will have their own clearinghouse to bill, so you do not have to purchase one
- You must enter schedules and clinical information into the operational software
- You should send filled out EFT (electronic funds transfer forms) whenever possible to receive payments electronically rather than by mail.
- You are responsible for billing patients for any amounts the patient pays directly (such as co-payments and deductibles). The designated vendor is responsible only for billing and collections from private insurance and government payors.
- Our designated vendor will forward all payments to you, less the fee charged by the vendor. You (and not the vendor) are responsible for paying the Royalty Fee and other fees owed to us.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial franchise fee (see Note 1)	$69,500 - $69,500	Wire transfer	Upon signing the franchise agreement	Us
Rent and Lease Security Deposit (see Note 2)	$1,000 - $3,500	Check	Upon signing lease	Landlord
Utilities	$300 - $500	Check, debit, and/or credit	Upon ordering service	Utility providers
Office Furniture	$1,500 - $3,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Signage	$2,000 - $3,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Market Introduction Program	$3,000 - $4,000	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers
Computer Systems and Software	$2,000 - $8,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (one year)	$2,000 - $3,500	Check	Upon ordering	Insurance company
Office Expenses	$500 - $1,000	Check, debit, and/or credit	As incurred	Vendors
Accreditation (see Note 3)	$4,000 - $10,000	Check	Upon application	Accreditation agencies
Licenses and Permits (see Note 4)	$100 - $10,000	Check	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	$1,000 - $2,500	Check, debit, and/or credit	As incurred or when billed	Professional service firms
Travel, lodging and meals for initial training	$3,000 - $5,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first six months) (see Note 5)	$120,000 - $150,000	Varies	Varies	Employees, suppliers
Total	$209,900 - $273,500			

Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. None of the other expenditures in this table will be refundable. Neither we nor any affiliate finances any part of your initial investment.

Notes

1. When you sign your franchise agreement, you must pay us an initial franchise fee equal to $69,500. If you will be offering only one business service and cannot expand into other models or services because of state specific restrictions, then franchise fee will be $49,500.

2. You are required to have professional office space; you cannot operate the business from your home. Although durable medical equipment sales and non-emergency medical transport are two of our optional service offerings, the estimated initial cost of office space assumes you will not offer either of these services when you first start your business. You are not required or expect to have business vehicle when you start your business. However, starting in your second year of operation, you must have a vehicle with our required wrap or signage.

3. You must business must be accredited by CHAP (Community Health Accreditation Partner). Accreditation in healthcare is a process in which an entity, separate from the healthcare organization, assesses the healthcare organization to determine it meets a set of requirements or standards designed to improve quality of patient care, leadership, or both. Requirements set forth by either the government or insurance companies will determine what type of accreditation an agency must have. To become accredited, you must meet certain criteria and standards regarding operations, financial soundness, patient care, employee training, and safety. Accreditation professionals review will review your organizational structure along with your policies and procedures. They review your compliance with applicable laws and regulations, including patient rights.

4. The costs of permits and licenses vary significantly depending on your state and local laws, and the services you choose to offer.

5. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: our affiliate's consulting experience in training new owners in home health care businesses, and our general knowledge of the industry.

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications. We reserve the right to change vendors or suppliers at any time. You must comply with any changes we make in the future to these requirements.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Insurance. You must obtain insurance as described in the Franchise Agreement, which includes (i) Commercial General Liability insurance and Professional liability coverage, written on an “occurrence” policy form in an amount of not less than $1,000,000 single limit per occurrence and $3,000,000 aggregate limit, (ii) Business Automobile Liability insurance including non-owned and hired automobiles coverage in an amount of not less than $1,000,000, (iii) physical and sexual abuse coverage in an amount of not less than $1,000,000, (iv) privacy coverage in an amount not less than $1,000,000, (v) commercial crime coverage in an amount of not less than $50,000, (vi) business personal property in an amount not less than $50,000, and (vii) Workers Compensation coverage as required by state law. Some states and some payors will require additional coverage. Your insurance policies must add us and our affiliates as additional insured and certificate holder. You must obtain an insurance quote from our preferred broker, Providers Insurance, Inc., although you are not required to use this broker.

B. Computer software and hardware. You must purchase and use the computer software and hardware that we specify. See Item 11 for more details.

C. Billing and Collection Services. You will use our designated vendor for billing private insurance and government payors.

D. Provider Enrollment Services. You will use our affiliate for enrollment services. Its personnel will enroll and credential your business for each model throughout the length of the agreement. The service for credentialing will be targeting the programs that are relevant to your business model and have a rate of reimbursement that monetarily makes sense for your business. The credentialing areas are to include but not limited to: Veterans Programs, Workers Compensation, Long Term Insurance, Short Term Insurance, and Medicaid waivers.

Us or our Affiliates as Supplier

Currently, neither we nor any of our affiliates supply any product or service that you must purchase. Our affiliate provides enrollment services at no extra charge.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier’s capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only evaluating the intended changes. We may also conduct market testing in one or more outlets.

Revenue to Us and Our Affiliates

We do not derive revenue from the required purchases and leases by franchisees.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 10% to 20% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 10% to 30% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We do not receive payments from any designated suppliers based on purchases by you or other franchisees.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We have negotiated purchase arrangements with certain suppliers, including price terms, for the benefit of franchisees.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	§ 6.1	Item 11
b. Pre-opening purchase/leases	§§ 6.2, 6.3	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Article 6	Items 5, 7, 8 and 11
d. Initial and ongoing training	§§ 5.4, 6.4, 7.6	Items 5, 6, 8 and 11
e. Opening	§§ 6.5, 6.6	Items 7, 8 and 11
f. Fees	Article 4, §§ 5.5, 7.4, 7.8, 10.5, 11.2, 11.3, 15.2, 16.1, 17.6	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	§§ 6.3, 7.1, 7.4, 7.5, 7.9 – 7.13, 7.15, 9.1, 10.1, 10.4, 11.1	Items 8, 11 and 14
h. Trademarks and proprietary information	Article 12, § 13.1	Items 13 and 14
i. Restrictions on products/services offered	§ 7.4	Items 8, 11 and 16
j. Warranty and customer service requirements	§§ 7.4, 7.8, 7.9	Item 8
k. Territorial development and sales quotas	§ 7.4	Item 12
l. Ongoing product/service purchases	Article 8	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	§§ 7.12, 7.13, 15.2	Items 6, 7 and 8
n. Insurance	§ 7.15	Items 6, 7 and 8
o. Advertising	Article 9	Items 6, 7, 8 and 11
p. Indemnification	Article 16	Items 6 and 8
q. Owner's participation/management/staffing	§ 2.4	Items 15
r. Records and reports	Article 10	Item 11
s. Inspections and audits	§§ 10.5, 11.2	Items 6 and 11
t. Transfer	Article 15	Items 6 and 17

Obligation	Section in agreement	Disclosure document item
u. Renewal	§ 3.2	Items 6 and 17
v. Post-termination obligations	Article 13, § 14.3	Item 17
w. Non-competition covenants	§ 13.2	Item 17
x. Dispute resolution	Article 17	Items 6 and 17

Item 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your obligations to third parties.

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

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

Our Pre-Opening Obligations

Before you open your business:

A. *Business startup services*. We will provide you with comprehensive assistance in starting your business, including the following services (Section 5.4):

(i) incorporate your business to include completion of NPI number and tax I.D. number

(ii) review, complete and submit required state and local legal documents, and manage the process for obtaining all applicable licenses

(iii) complete, organize, and customize a complete set of policies and procedures specific to state, federal and accrediting organization regulations to your business model

(iv) complete and submit Medicare 855a application (if applicable)

(v) complete/assist training for a successful personal care, companion care, private duty/Medicare, or hospice accreditation survey (if applicable)

(vi) training in specialty programs (wound care, infusion therapy, pediatric and palliative care) can occur pre-opening or post-opening (as determined by us and you)

Although we manage your license process on your behalf, we do not guarantee that you will be able to obtain all required government licenses to operate your business. The applicable government authority may decide to cease issuing licenses, or you might be unable to obtain licenses for other reasons beyond our control. If the governmental authority ceases to issue licenses, you may terminate your franchise agreement, but you will not receive a refund.

B. *Your site.* If you request, we will assist you in finding a suitable office location (Section 6.1). We do not assist you in (i) conforming the premises to local ordinances and building codes and obtaining any required permits, or (ii) constructing, remodeling, or decorating the premises. We anticipate that you will manage your business from a small commercial office. If your service offerings include durable medical equipment sales or non-emergency medical transport, you will need appropriate operational space. Your primary office and operations must be located in your territory. We do not select, locate or approve your office location. There is no time limit for selecting and locating the site. However, you must open your business by the opening deadline that will be specified on Attachment 2 to the Franchise Agreement and mutually agreed upon when you sign it. If you fail to open by the opening deadline, you will be in default of the Franchise Agreement and the Franchise Agreement may be terminated by us. Generally, we do not own the premises and lease it to you.

C. *Hiring and training employees*. We will provide you with suggested guidelines for hiring employees (Section 5.2), training opportunities through national ongoing training conferences (Section 5.4), and our initial training program described below. All hiring decisions and conditions of employment are your sole responsibility. (Section 7.5)

D. *Policies and Procedures Manual*. We will give you access to our Policies and Procedures Manuals (Section 5.1).

E. *Initial Training Program.* We will conduct our initial training program (Section 5.4) as described below.

F. *Business plan review*. We will review and assist you with your pre-opening business plan and financial projections. (Section 5.4).

G. *Market introduction plan*. We will advise you regarding the planning and execution of your market introduction plan. (Section 5.4). The plan should include your budget and describe the types of marketing you will implement in connection with the opening of your business.

<u>Length of Time to Open</u>

The typical length of time between signing the franchise agreement and the opening of your business is three to fifteen months. Factors that may affect the time include the business model you select, variation in state licensing requirements, scheduling initial training, leasing an office, and hiring staff.

Our Post-Opening Obligations

After you open your business:

A. *Billing*. We (through a designated third-party vendor) manage billing of private insurance and government payors. You will pay a fee determined by billing vendor (generally 3% to 6.5% of collections handled by the vendor) for this service. The services will include payment posting, follow-up and appeals, verification of benefits, financial reporting and internal auditing to include account receivables, productivity, monthly closing, claim issues, and aged trial balance. We reserve the right to modify this offering at any time. (Section 5.5)

B. *Training and Support Program.* Through our "Home Care University" rotating monthly seminars for we offer training for (1) home care (personal care and companion care), home healthcare (skilled nursing services), and (3) hospice services. Topics include admitting patients, completion of all documentation requirements, office setup, day to day operational requirements, policies and procedures specific to business model, hiring employee protocols, obtaining new clients, marketing opportunities, scheduling, software and role-playing and break out exercises. They are available at no extra cost to you or your current and future employees. You are responsible for any travel and other out-of-pocket costs for you and your employees. In addition, we offer ongoing virtual training at no additional fee. (Section 5.5)

We will conduct site visits by our representatives for annual mock site inspections for Medicare and accreditation agencies, OASIS (Outcome and Assessment Information Set) training, QAPI training and assistance in training and educating new hires and sales personnel. Currently, at no cost to you, we will perform a minimum of two site visits in a year in which if you are opening a new service line, and at least one site visit in other years. If you request additional site visits, we reserve the right to charge a fee (currently $2,500 per day plus our expenses).

C. *Quality Assessment Program (QAP)*. For the length of your franchise agreement, you will have access to our QAP ongoing clinical consulting to cover anything from policies and procedures to patient care and our onsite visits. Listed below are some of the services we currently offer without charge to you. We reserve the right to add, delete or modify any of the program we currently provide to franchisee. (Section 5.5)

- Scheduled monthly calls with your clinical coach to review and discuss quality indicators, trends, action plans and outcomes. With the option of attending the agency's quarterly QAPI meeting via teleconference.

- Completion of any plans of correction that may be received by your agency and assistance with evidence.

- Annual mock site inspection completed by a member of our clinical team.

- Nurse consultant on call (telephone assistance from our clinical team when needed).

- Maintaining and updating policies and procedures, compliant with state, federal and/or accreditation regulation changes.

- State licensure updates and renewal applications as needed.

- Updates to your 855a (Medicare) application as needed

- Assistance with Medicare recertification/re-accreditation ongoing approval process.

- Calendar, template, and timelines for various committee minutes.

- Performance improvement project (PIP) requirements to include audit tools and assistance with identifying project needs

D. *Provider Enrollment Services*. All franchise business models will be provided enrollment services for Personal Care, Private duty skilled care, Non-emergency medical transportation, and Hospice (where applicable) (Section 5.5). When you are ready, our affiliate will enroll and assist with approval process for the following. The intent of this service is to provide you with opportunities for patient resources.

- Medicaid (where applicable)
- State specific Medicaid waiver programs
- Insurance company enrollments (short and long term)
- Workman's Compensation programs
- Veterans programs

E. *Marketing*. We will assist you with marketing strategy, and with traditional and digital marketing. (Section 5.5)

F. *Developing products or services you will offer to your clients*. Although it is our intent and practice to refine and develop services that you will offer to your clients, the franchise agreement does not obligate us to do so.

H. *Establishing prices*. We will provide recommended prices for products and services, based on you completing a competitive analysis in your territory. (Section 5.5).

I. *Marketing Fund*. We will administer the Marketing Fund after we start it (Section 5.5). We will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of our fiscal year and will provide the financial statement to you upon request. (Section 9.3)

J. *Website*. We will maintain a website for the Home Care for the 21st Century brand. (Section 5.5)

Advertising

Our obligation. We will use the Marketing Fund only for marketing and related purposes and costs. Media coverage will be primarily local. We will use outside vendors and consultants to produce advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which will be paid for by the Marketing Fund).

We have no other obligation to conduct advertising.

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 30 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

You must follow our Brand Guidelines (which we will provide to you) and adhere to our company brand standards. The Brand Guidelines specifies exact color codes and font type and must be followed when creating your own marketing materials.

Advertising council. We do not have an advertising council composed of franchisees. The franchise agreement does not give us the power to form an advertising council.

Local or Regional Advertising Cooperatives. We do not currently have any local or regional advertising cooperatives. We have the right to require you to participate in a local or regional advertising cooperative. We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. Each franchisee in the area would have one vote per outlet (unless the franchisee is in default under its franchise agreement). The amount you must contribute to the cooperative will be determined by vote of the members, but not less than 1% and not more than 5% of gross sales. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees. We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as an advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review. Cooperatives will prepare annual financial statements which will be available for review only by us and by the members of the cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

Marketing Fund. You and all other franchisees must contribute to our Marketing Fund. Your contribution is 1% of gross sales per month. We reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we own are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request.

We did not collect or spend any marketing funds in 2021.

If less than all marketing funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing Fund to be spent in the next year.

No money from the Marketing Fund is spent principally to solicit new franchise sales.

Required spending. After you open, you must spend at least $500 or 2% of gross sales (whichever is greater) each month on marketing your business.

Computer Systems

We require you to use our designated software system that combines the many functions of a home care, home health care, and hospice agency in one integrated system. The features of the system include:

- Ability to handle multiple offices or business lines in one system
- Software customizable to the unique workflow of your agency
- Billing for all payers
- Offline documentation capability
- Electronic visit verification (EVV)
- Integrated Telephony & workflow automation
- Integrated electronic one-click faxing
- Compliance with Medicare, Medicaid, & HIPAA
- Customer support in English & Spanish
- Ability to automate workflow & simplify office administration
- Manage clinical and operational efficiency

You will also need to subscribe to human resources, accounting, and payroll software that we specify. We have a training software system that is currently optional.

We estimate that the total cost of your computers and software to start your business will be $2,000 to $8,000.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. We do not require you enter into any such contract with a third party.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $0 to $1,200, in addition to the monthly fees (or annual fee, for the training software) for the designated software systems.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, data about clients (subject applicable privacy laws, such as HIPAA), and reports. There is no contractual limitation on our right to access the information.

Policies and Procedures Manual

See Exhibit E for the table of contents of our Policies and Procedures Manuals as of the date of this disclosure document, with the number of pages devoted to each subject. The Policies and Procedures Manuals contain 1,646 pages.

Training Program

Our initial training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Days 1, 2, and 3 – Home Care University "boot camp" (3 days of either Personal/Companion Home Care training, Home Health Care (skilled nursing services) training, or Hospice training	24	-	Bradenton, FL
Day 4 – Mission, Recruitment & Employee Retention	8	-	Bradenton, FL
Day 5 – Sales, Referral Sources, Inside Sales, Differentiators	8	-	Bradenton, FL
Day 6 – Operations	8	-	Bradenton, FL
Day 7 – Clinical	8	-	Bradenton, FL
Day 8 – Financial and Budget Forecasts	8	-	Bradenton, FL
TOTAL:	**64**	**0**	

You must attend the five days of franchise training plus at least one three-day Home Care University bootcamp training course (depending on the service model(s) you will initially offer) our corporate headquarters in Bradenton, Florida. The franchise training and Home Care University will usually be attended on separate dates, rather than consecutively. We expect to offer 3 to 5 franchise training courses per year, based on projected franchisee opening dates. The bootcamp training seminars are currently held monthly in a quarterly rotation so that a seminar for each of the three service lines is held every three months. In addition, we offer ongoing virtual training at no additional fee.

All franchisees have unlimited free attendance at national training conferences, boot camps or workshops (up to 3 attendees per conference which must include the owner).

The instructional materials consist of our training manuals, Policies and Procedures manuals, and other materials, lectures, and discussions.

Training classes are led or overseen by Karen Bailey (our Clinical Director), Lori McCauley (our Vice President of Franchise Development), and Stephanie Ashenbremer (our Chief Financial Officer). Karen Bailey has 7 years of experience with us and our affiliates, and 36 years of experience in our industry. Lori McCauley has 2 years of experience with us and 11 years of experience in our industry. Training in some topics will be led by subject matter experts from our affiliates and approved third-party vendors. All instructors have a minimum of 10 years of experience at facilitating or industry field experience and are proven leaders in their area of expertise.

There is no fee for up to three people to attend training. You may bring additional employees for $500 per additional person. You are responsible for the travel and living expenses of people attending training.

You (and your operational manager, if you are not managing the business personally) must attend training. You may send any additional people to training that you want (up to the maximum described above). You must complete training to our satisfaction at least four weeks before opening your business.

We may require additional training programs or refresher courses are required depending on regulatory changes, process changes, or other factors we deem appropriate.

Item 12
TERRITORY

Your Location

We anticipate that you will manage your business from a small commercial office. Your primary office must be located in your territory, unless we allow otherwise.

Grant of Territory

Your franchise agreement will specify a mutually agreed territory, which will have a population of approximately 60,000 seniors aged 65 or older. Territories will be mapped based on the individual market circumstances for each unit sold. We will map out a contiguous area based on market research and the most recent available census data, based on factors such as population, median age, elderly population, disabled population, median household income, and existence of competition. The boundaries of your territory will be specified by zip codes, counties, cities, or other boundaries.

Relocation; Establishment of Additional Outlets

You may relocate your business headquarters anywhere in your territory.

You may establish multiple offices in your territory, subject to state regulations.

Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Exclusivity

We grant you an exclusive territory. In your territory, we will not establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks as your Home Care for the 21st Century outlet.

However, if you sign a franchise agreement to provide only certain types of services, then we may authorize other franchisees to provide different services in your territory.

In addition, if you fail to begin offering a particular service in your territory by the deadline specified in Attachment 2 to your Franchise Agreement, then we may authorize another franchisee to provide such service in your territory.

Except as described above, continuation of your territorial exclusivity does not depend on any other contingency and there are no other circumstances that permit us to modify your territorial rights.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

Except as described in this paragraph, we will not serve clients in your territory, nor authorize another party to serve clients in your territory, under our Home Care for the 21st Century brand. However, we may serve (or authorize other franchisees to serve) clients in your territory if you are in default, or if you are incapable of meeting client demand in your territory, or if you do not offer a particular service in your territory. We may also serve (or authorize another franchisee to serve) a particular client in your territory if you fail to properly serve such client, or if we reasonably believe that you will not properly serve such client. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory (i) using our principal trademarks, but only for sales of products or services different from the ones you will offer, and (ii) using trademarks different from the ones you will use. In the circumstances where the franchise agreement does not prohibit us from soliciting or accepting orders from inside your territory, we do not pay any compensation to you.

Soliciting by You Outside Your Territory

You cannot solicit or market to potential clients outside of your territory, except for solicitations or marketing which are primarily targeted inside the territory and which incidentally reach potential clients outside of the territory. You cannot solicit or serve clients outside of your territory without our prior written permission, including using alternative channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing to make sales outside your territory. We may withdraw permission at any time.

Competition by Us Under Different Trademarks

We and our affiliates have established, and may in the future establish, other businesses, franchises or company-owned outlets or other channels of distribution selling or products or services similar to those of a Home Care for the 21st Century franchise under different trademarks or similar trademarks. Some our affiliates currently operate businesses or grant franchises for businesses that sell goods or services similar to the services you will offer. These affiliates include the following:

- Twenty First Century Health Care Consultants, LLC, a Delaware limited liability company (formerly known as Twenty First Century Health Care Consultants, Inc., a Florida corporation), with a principal business address of 3910 Golf Park Loop, Bradenton, FL 34203, has trained more than 3,000 independent business in providing home health services and will provide enrollment and credentialing services to you. Its outlets are not franchised and not owned or operated by us.

- Excelin Home Health LLC, with a principal business address of 1212 Corporate Drive, Suite 125, Irving, Texas 75038, offers skilled medical and therapeutic care for patients and their families from the comfort of their own homes under the name and marks "Excelin." Its outlets are not franchised and are not owned or operated by us.

- AZ MediQuip, with a principal business address of 8283 North Hayden Rd., Suite 225, Scottsdale, Arizona 85258, is a retailer of home medical equipment and supplies that offers rental and repair services, equipment delivery and in-home installation under the name and marks "AZ MediQuip." Its outlets are not franchised and are not owned or operated by us.

- ABCSP, LLC, with a principal business address of 1406 Blue Oaks Blvd, Roseville, California 95747, offers a franchise of non-medical in-home personal care, skilled in-home nursing services and assisted living/residential care placement services under the name and marks "Always Best Care Senior Services." Its outlets are franchised but are not owned or operated by us.

The foregoing affiliates' business locations might be located in your territory, and these locations (whether within or outside your territory) may solicit and accept orders from customers within your territory. Likewise, your Home Care for the 21st Century franchise may solicit and accept orders from customers and potential customers of our affiliates' business locations. We are under no obligation to take any action if conflicts arise concerning our franchisees and our affiliates' business operators and/or franchisees.

Except as provide in this Item 12, neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

Item 13
TRADEMARKS

Principal Trademark

The following is the principal trademark is owned by us and licensed to you pursuant to our franchise agreement. It is registered on the Principal Register of the United States Patent and Trademark Office.

Trademark	Registration Date	Registration Number
Home Care for the 21st Century	January 7, 2020	5956829

Because the federal trademark registration is less than six years old, no affidavits are required at this time and no required affidavits have been filed. The registration has not yet been renewed.

The cover page to this disclosure document contains our logo, which is our principal design mark. We do not have a federal registration for our principal design mark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective agreements that significantly limit our rights to use or license the use of the trademark listed above in a manner material to the franchise.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks.

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Operating Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Operating Manual, training materials, and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, information, and know-how.

Subject to applicable law (including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") or its relevant regulations), all data about clients and other non-public data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Home Care for the 21st Century business.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Home Care for the 21st Century business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Operating Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

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

Your Participation

You are required to participate full time in the direct operation of your business.

If you are the sole owner of the business, then you are deemed the "Principal Executive". If multiple people own the business, then you must one person as the "Principal Executive". The Principal Executive is the executive primarily responsible for your business and has decision-making authority on behalf of the business. The Principal Executive must own at least 50% of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

“On-Premises” Supervision

When your business performs services for a client, you are not required to personally conduct “on-premises” supervision of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor. The general manager of your business (whether that is you or a hired person) must successfully complete our training program.

If the franchise business is owned by an entity, we do not require that the general manager own any equity in the entity.

Restrictions on Your Manager

If we request, you must have your general manager (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law or that prohibits a person from being employed by another Home Care for the 21st Century franchisee. We do not require you to place any other restrictions on your manager.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The services offered by you may include:

- Companion care
- Personal care
- Medical staffing
- Home healthcare skilled nursing services – private duty
- Home healthcare skilled nursing services – Medicare
- Durable medical equipment (DME)
- Non-emergency medical transportation
- Hospice home health care

You are not required to offer all services when you initially open your business. and may operate a single-service franchised business.

When you start your franchised business, you must at a minimum offer one of the following services: (a) personal care and companion care, (b) skilled nursing services, or (c) hospice home health care.

As a condition of your franchise agreement, we may mutually agree with you on a schedule for operating a multiple-service franchised business by adding additional service offerings (listed above), as long as (1) we have authorized you to add the additional service to your business model, (2) you and your personnel have completed all required training; (3) you have purchased all the necessary equipment and met all other applicable System Standards; and (4) you have received all necessary permits, licenses and governmental approvals.

None of the services we offer are intended to be the "practice of medicine" under applicable law. We do not allow franchisees to engage in any activity which would be considered the practice of medicine their state.

You must offer for sale only goods and services that we have approved. You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to clients, except that all sales must be made to clients in your territory.

Item 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	§ 3.1	10 years from date of franchise agreement.
b. Renewal or extension of the term	§ 3.2	You may obtain a successor franchise agreement for up to two additional 10-year terms.

Provision	Section in franchise or other agreement	Summary
c. Requirements for franchisee to renew or extend	§ 3.2	For our franchise system, "renewal" means that at the end of your term, you sign our successor franchise agreement for an additional 10-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract. To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; conform your business to then-current standards for new franchisees; sign then-current form of franchise agreement and related documents; sign general release (unless prohibited by applicable law); pay renewal fee. If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your agreement at any time or deem you to have renewed your agreement for a 10-year term.
d. Termination by franchisee	§ 14.1	If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you.
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	§ 14.2	We may terminate your franchise agreement for cause, subject to any applicable notice and cure opportunity.
g. "Cause" defined--curable defaults	§ 14.2	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure).

Provision	Section in franchise or other agreement	Summary
h. “Cause” defined--non-curable defaults	§ 14.2	Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our audit or evaluation; cease operations; operate in a manner dangerous to health or safety of any person (if not corrected within 48 hours); three defaults in 12 months; cross-termination; charge, plea to, or conviction of a felony, commit or be accused of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured.
i. Franchisee’s obligations on termination/non-renewal	§§ 14.3 – 14.6	Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	§ 15.1	Unlimited
k. “Transfer” by franchisee - defined	Article 1	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor’s approval of transfer by franchisee	§ 15.2	No transfers without our approval.

Provision	Section in franchise or other agreement	Summary
m. Conditions for franchisor's approval of transfer	§ 15.2	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement related documents; you've made all payments to us and are in compliance with all contractual obligations; buyer completes training program; you sign a general release (subject to state law); business complies with then-current system specifications.
n. Franchisor's right of first refusal to acquire franchisee's business	§ 15.5	If you want to transfer your business (other than to your co-owner or to your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor's option to purchase franchisee's business	§ 14.6	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your Home Care for the 21st Century business.
p. Death or disability of franchisee	§§ 2.4, 15.4	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.
q. Non-competition covenants during the term of the franchise	§ 13.2	Neither you, any owner of the business, or any spouse of an owner may operate, have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor.
r. Non-competition covenants after the franchise is terminated or expires	§ 13.2	For two years, neither you, any owner of the business, or any spouse of an owner may operate, have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor operating in your former territory or the territory of any other Home Care for the 21st Century business operating on the date of termination or expiration.

Provision	Section in franchise or other agreement	Summary
s. Modification of the agreement	§ 18.4	No modification or amendment of the franchise agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	§ 18.3	Only the terms of the franchise agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	§ 17.1	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	§§ 17.1, 17.5	Arbitration will take place where our headquarters is located (currently, Bradenton, Florida) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	§ 18.8	Florida (subject to applicable state law)

Item 18
PUBLIC FIGURES

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

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

Table 1 – 2021 Sales

The following table discloses the 2021 sales of the two Home Care for the 21st Century franchisees that were in business for all of 2021.

Franchisee	Business Service	Sales
1	Personal & Companion Care	$448,399
2	Varied (see Note 3)	$242,385

Notes

1. Table 1 is a historic financial performance representation. It is not a projection of future performance. Table 1 relates to the performance of all of the franchise system's outlets that existed for all of 2021, and not a subset of outlets.

2. The first franchisee offers personal care and companion care services. It opened in 2020 and operated for all of 2021.

3. The second franchisee opened in 2020 with the intent of offering personal care and companion care services. Due to turnover in their clinical director position, they were limited in their ability to operate such services, and starting in May 2021 they focused their business on medical staffing. The second franchisee's sales were:

Medical Staffing (July to December 2021): $191,468
Personal/Companion Care (January to December 2021): $37,420
Home Health (October and November 2021): $13,497

4. Your business may have different services or additional services as compared to these two franchisees. Other characteristics of these franchises, such as degree of competition and length of time the franchise has operated, may differ materially from those of the franchise that may be offered to you.

5. "Sales" means the total revenue derived from the sale of goods or services less sales tax, discounts, allowances, and refunds.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

Written substantiation for the financial performance representation in this Item 19 will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Home Care for the 21st Century, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting John Dapello, 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203, and 941-723-1100, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For years 2019 to 2021

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2019	0	0	0
	2020	0	2	+2
	2021	2	8	+6
Company-Owned	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Total Outlets	2019	0	0	0
	2020	0	2	+2
	2021	2	8	+6

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019 to 2021

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Total	2019	0
	2020	0
	2021	0

Table 3
Status of Franchised Outlets
For years 2019 to 2021

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi-Nations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Arizona	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
California	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Florida	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
New Mexico	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Pennsylvania	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Texas	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	3	0	0	0	0	3
Totals	2019	0	0	0	0	0	0	0
	2020	0	2	0	0	0	0	2
	2021	2	6	0	0	0	0	8

Table 4
Status of Company-Owned Outlets
For years 2019 to 2021

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Totals	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0

Table 5
Projected Openings as of December 31, 2021

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlets In the Next Fiscal Year
California	0	3	0
Colorado	1	1	0
Florida	3	6	0
Georgia	1	1	0
Illinois	0	1	0
Oklahoma	0	1	0
Pennsylvania	1	3	0
Texas	1	3	0
Virginia	1	2	0
Total	8	21	0

<u>Current Franchisees</u>

Exhibit F contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

<u>Former Franchisees</u>

Exhibit F contains the name, city and state, and 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 the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21
FINANCIAL STATEMENTS

Exhibit D contains the audited consolidated financial statements of Home Care for the Twenty First Century Holdings, LLC as of May 31, 2022. Holdings absolutely and unconditionally guarantees our duties and obligations under our state registrations and our Franchise Agreements. A copy of the Guarantee of Performance is included in Exhibit E. Because neither we nor holdings have been in business for three or more fiscal years, we cannot provide all the financial statements required by the Federal Trade Commission's Franchise Rule. Our fiscal year end will be December 31.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

B. Franchise Agreement (with HIPAA Business Associate Agreement)
C. Form of General Release
H. State Addenda to Franchise Agreement

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

EXHIBIT B

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE		
1.	**Franchisee**	________________________________
2.	**Initial Franchise Fee**	$69,500
3.	**Business Location**	________________________________
4.	**Territory**	________________________________
5.	**Principal Executive**	____________________
6.	**Franchisee's Address**	____

FRANCHISE AGREEMENT

This Agreement is made between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor"), and Franchisee effective as of the date signed by Franchisor (the "Effective Date").

Background Statement:

A. Franchisor and its affiliates have created and own a system (the "System") for developing and operating home health care agencies and other businesses under the trade name "Home Care for the 21st Century".

B. The System includes (1) methods, procedures, and standards for developing and operating a Home Care for the 21st Century business, (2) particular products and services, (3) the Marks, (4) training programs, (5) business knowledge, (6) marketing plans and concepts, and (7) other mandatory or optional elements as determined by Franchisor from time to time.

C. The parties desire that Franchisor license the Marks and the System to Franchisee for Franchisee (and his or her wholly-owned entities formed in connection with this Agreement from time to time) to develop and operate a Home Care for the 21st Century business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

"**Action**" means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, judgment or appeal thereof, whether formal or informal.

"**Approved Vendor**" means a supplier, vendor, or distributor of Inputs which has been approved by Franchisor.

"**Business**" means the Home Care for the 21st Century business owned by Franchisee and operated under this Agreement.

"**Competitor**" means any business which offers companion care, personal care, skilled nursing services (private duty or Medicare), hospice care, medical staffing, durable medical equipment, or non-emergency medical transportation (whether or not Franchisee offers any such service).

"**Confidential Information**" means all non-public information of or about the System, Franchisor, and any Home Care for the 21st Century business, including all methods for developing and operating the Business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, client data (subject to applicable laws, including HIPAA), information and know-how.

"Franchise Entity" means the entity designated on Attachment 1 which is wholly-owned by Franchisee and formed the purpose of providing Services under this Agreement.

“**Gross Sales**” means the total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit. Gross Sales does not include bona fide refunds to clients, or sales taxes collected by Franchisee.

“**HIPAA**” means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

“**Input**” means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

“**Location**” means the location stated on the Summary Page.

“**Losses**” includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys’ fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of Franchisor’s reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

“**Manual**” means Franchisor’s confidential Policies and Procedures manuals, including any supplements, additions, or revisions from time to time, which may be in any form or media.

“**Marketing Fund**” means the fund established (or which may be established) by Franchisor into which Marketing Fund Contributions are deposited.

“**Marks**” means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Franchisor from time to time for use in a Home Care for the 21st Century business.

“**Required Vendor**” means a supplier, vendor, or distributor of Inputs which Franchisor requires franchisees to use.

“**Services**” means any service that is offered (or may be offered) as part of the System as determined by Franchisor from time to time, including companion care, personal care, hospice care, skilled nursing services (private duty and/or Medicare), medical staffing, durable medical equipment (DME), and non-emergency medical transportation.

“**System Standards**” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System (or any particular Service) as determined by Franchisor, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, client service, data security and privacy, design, equipment, inventory, marketing and public relations, minimum numbers and types of personnel, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

"**Territory**" means the territory stated on the Summary Page.

"**Transfer**" means for Franchisee to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) direct or indirect ownership interest in the Business or in any Franchise Entity, or (iv) control of the Business.

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. Franchisor grants to Franchisee the right to operate a Home Care for the 21st Century business solely in the Territory. Franchisee shall develop, open and operate a Home Care for the 21st Century business in the Territory for the entire term of this Agreement.

2.2 Protected Territory.

(a) <u>Limitation</u>. Franchisee shall not solicit or market to potential clients outside of the Territory, except for solicitations or marketing which are primarily targeted inside the Territory and which incidentally reach potential clients outside of the Territory.

(b) <u>Service</u>. Franchisee shall not serve clients outside of the Territory without Franchisor's prior written permission. Franchisor may withdraw permission at any time after at least 15 days' prior notice. If Franchisee serves a client outside of the Territory without Franchisor's prior written permission, Franchisor may impose a fee equal to the greater of (i) $500 or (ii) 75% of the amount paid by such client to Franchisee. This fee is a reasonable estimate of Franchisor's internal cost of personnel time attributable to addressing Franchisee's breach of this Section, and it is not a penalty or estimate of all damages arising from Franchisee's breach. This fee is in addition to all of Franchisor's other rights and remedies.

(c) <u>Exclusivity</u>. Franchisor shall not establish, nor license the establishment of, another Home Care for the 21st Century business within the Territory or which serves clients located in the Territory. However, Franchisor and its affiliates retain the right to:

(i) serve (or authorize other franchisees to serve) clients in the Territory if Franchisee is in default, or if Franchisee is incapable of meeting client demand in the Territory (in Franchisor's reasonable opinion);

(ii) provide (or authorize other franchisees to provider) a particular Service to clients in the Territory if Franchisee does not offer such Service;

(iii) serve (or authorize other franchisees to serve) a particular client in the Territory if Franchisee fails to properly serve such client, or if Franchisor reasonably believes that Franchisee will not properly serve such client;

(iv) establish and license others to establish and operate Home Care for the 21st Century businesses outside the Territory;

(v) operate and license others to operate businesses anywhere that do not operate under the Home Care for the 21st Century brand name (including other franchise brands); and

(vi) sell and license others to sell Home Care for the 21st Century products and services to clients in the Territory through channels of distribution (including the internet) so long as such products and services are not provided through a Home Care for the 21st Century outlet in the Territory, and are different from the products and services provided by Franchisee.

Franchisee acknowledges that Franchisor's affiliates provide services (including without limitation consulting, assistance in entering into business, training and education, credentialing and licensing, quality assurance, marketing, and strategic planning) to other parties that are not Home Care for the 21st Century franchisees, including independent agencies and third parties that may offer services in the Territory that directly compete with Franchisee. Franchisor and its affiliates will have no liability to Franchisee for any such services provided any time before, during, or after the term of this Agreement, even if they serve a competitor of Franchisee.

(d) Services Not Offered by Franchisee. Attachment 2 lists the Services that Franchisee offers as of the date of this Agreement, and an agreed schedule for Franchisee to offer additional Services. If a particular Service is not listed on Attachment 2 as being required for Franchisee, or if a particular Service is listed as required for Franchisee but Franchisee does not meet the stated deadline to offer such Service in the Territory, then Franchisor may authorize another franchisee or other party to provide the Service in part or all of the Territory. then Franchisor may authorize another franchisee or other party to provide such Service in part or all of the Territory.

(e) Policies. Franchisor may set policies binding on all franchisees regarding soliciting, marketing, and serving clients in another franchisee's territory, and Franchisor may waive or modify such policies in any circumstance as Franchisor determines. If Franchisee obtains a client in the protected territory of another franchisee, then, in addition to all other rights and remedies Franchisor may have, Franchisor may in its discretion (i) require Franchisee to transfer the client to such other franchisee, (ii) require Franchisee to pay such other franchisee 75% of the Gross Sales received from such client, or (iii) fashion such other remedy as Franchisor deems appropriate.

(f) Referrals. Franchisor may set policies binding on all franchisees regarding referral fees (and other terms and conditions) when a client is referred from one Home Care for the 21st Century business to another. Franchisor may waive or modify such policies in any circumstance as Franchisor determines.

2.3 Franchisee Structure. Franchisee represents that Attachment 1 correctly identifies (i) each owner and officer and director of the Business, and (ii) each owner's interest in the Business, and (iii) the Franchise Entity formed (or to be formed) to provide the Services.

2.4 Principal Executive. Franchisee agrees that the person designated as the "Principal Executive" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Executive must have at least 50% ownership interest in Franchisee. The Principal Executive must participate in the direct operation of the Business and must devote their full business time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to Franchisor's reasonable approval.

2.6 No Conflict. Franchisee represents to Franchisor that Franchisee (i) is not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) is not a direct or indirect owner of any Competitor, and (iii) is not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

ARTICLE 3. TERM

3.1 Term. This Agreement commences on the Effective Date and continues for 10 years.

3.2 Successor Agreement. When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to two additional periods of 10 years each, subject to the following conditions prior to each expiration:

(i) Franchisee notifies Franchisor of the election to renew between 180 and 270 days prior to the end of the term;

(ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Franchisor (or any of its affiliates) at the time of election and at the time of renewal;

(iii) Franchisee has made or agrees to make (within a period of time acceptable to Franchisor) changes to the Business as Franchisor requires to conform to the then-current System Standards;

(iv) Franchisee executes Franchisor's then-current standard form of franchise agreement and related documents, which may be materially different than this form (including, without limitation, higher and/or different fees), except that Franchisee will not pay another initial franchise fee and will not receive more renewal or successor terms than described in this Section;

(v) Franchisee pays a renewal fee equal to 10% of the initial franchisee then being charged to new franchisees (but not less than $7,000); and

(vi) Franchisee (and each Franchisee Entity) executes a general release (on Franchisor's then-standard form) of any and all claims against Franchisor, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

4.1 Initial Franchise Fee. Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable under any circumstances.

4.2 Royalty Fee. Franchisee shall pay Franchisor a monthly royalty fee (the "Royalty Fee") stated on Attachment 2. The Royalty Fee shall be at least the amount shown as the Monthly Minimum Royalty Fee on Attachment 2. As of the date of this Agreement, the Royalty Fee for any given month is due on the 25th day of the following month. Franchisor retains the right to alter the due date.

4.3 Marketing Fund Contribution.

(a) Marketing Fund Contribution. Franchisee shall pay Franchisor a contribution to the Marketing Fund (the "Marketing Fund Contribution") equal to 1% of Franchisee's Gross Sales for the prior month (or such lesser amount as Franchisor determines), at the same time as the Royalty Fee.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Sales (or other amount) determined by the Market Cooperative.

4.4 Third Party Vendors. If Franchisor requires Franchisee to use a designated third-party vendor, Franchisor has the right (but not the obligation) to collect payment on behalf of the vendor and remit the payment to the vendor. If Franchisor does so, it may impose a reasonable markup or charge for administering the payment program.

4.5 Non-Compliance Fee. Franchisor may charge Franchisee $500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to Franchisor) which Franchisee fails to cure after 30 days' notice. Thereafter, Franchisor may charge Franchisee $250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Franchisor's internal cost of personnel time attributable to addressing the non-compliance, and is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of Franchisor's other rights and remedies (including default and termination under Section 14.2).

4.6 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, and any other amounts owed to Franchisor by pre-authorized bank draft or in such other manner as Franchisor may require. Franchisee shall comply with Franchisor's payment instructions.

(b) Calculation of Fees. Franchisee shall report monthly Gross Sales (along with a monthly profit and loss statement) to Franchisor by the 15th day of the following month. If Franchisee fails to report monthly Gross Sales, then Franchisor may withdraw estimated Royalty Fees and Marketing Fund Contributions equal to 125% of the last Gross Sales reported to Franchisor, and the parties will true-up the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that Franchisor has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a $100 "late fee" plus interest on the unpaid amount at a rate equal to 10% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Costs of Collection. Franchisee shall repay any costs incurred by Franchisor (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(e) Application. Franchisor may apply any payment received from Franchisee to any obligation and in any order as Franchisor may determine, regardless of any designation by Franchisee.

(f) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Franchisor any fees or amounts described in this Agreement are not dependent on Franchisor's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

(h) Taxes. Franchisee will be responsible for all sales taxes, use taxes, and other taxes imposed on the fees payable by Franchisee to Franchisor or its affiliates and on services or goods furnished to Franchisee by Franchisor or its affiliates, unless the tax is an income tax assessed on Franchisor or its affiliate for doing business in the state where the Business is located.

ARTICLE 5. ASSISTANCE

5.1 Manual. Franchisor shall make its Manual available to Franchisee.

5.2 Assistance in Hiring Employees. Franchisor shall provide suggested guidelines for hiring employees. All hiring decisions and conditions of employment are Franchisee's sole responsibility.

5.3 Assistance in Training Employees. Franchisor shall, to the extent it deems appropriate, provide programs for Franchisee to conduct training of new employees.

5.4 Pre-Opening Assistance.

(a) Business startup services. Franchisor will provide Franchisee with comprehensive assistance in starting the Business, including the following services:

(i) incorporate the Business to include completion of NPI number and tax I.D. number

(ii) review, complete and submit required state and local legal documents, and manage the process for obtain all applicable licenses for Franchisee's Business

(iii) complete, organize, and customize a complete set of policies and procedures specific to state, federal, and accrediting organization regulations to Franchisee's business model

(iv) complete and submit Medicare 855a application (if applicable)

(v) complete/assist training for a successful personal care, companion care, private duty/Medicare, or hospice accreditation survey (if applicable)

(vi) training in specialty programs (wound care, infusion therapy, pediatric and palliative care) can occur pre-opening or post-opening (as determined by the parties)

(b) Initial Training Program. Franchisor will conduct the initial training program for the Principal Executive and up to three other employees, at Franchisor's headquarters and/or another location designated by Franchisor. Franchisor shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses.

(c) Business plan review. Franchisor will review and assist with Franchisee's pre-opening business plan and financial projections. Franchisee acknowledges that any such review or assistance does create liability of Franchisor for Franchisee's business results.

(d) Market introduction plan. Franchisor will advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

5.5 Post-Opening Assistance.

(a) Billing. Franchisor or its designated vendor (the "Billing Manager") will manage billing to private insurance and government payors (which services will include payment posting, follow-up and appeals, verification of benefits, and financial reports), in exchange for the then-current billing fees charged by the Billing Manager. Franchisee hereby expressly authorizes the Billing Manager to prepare, process and submit claims to private insurance and government payors. The Billing Manager will apply its commercially reasonable efforts to obtain reimbursement for Franchisees charges for all clinical procedures and medical services provided to clients. All such claims shall be submitted by the Billing Manager in Franchisee's name and utilize provider numbers assigned to Franchisee by the respective third-party payor. Claims will be submitted either electronically or by means of paper submission as directed by the third-party payor. Payment of all claims filed on behalf of Franchisee shall be directed to such accounts to which Franchisee has control as may be required by third party payors. The Billing Manager shall post payments received from the third-party payors to the patient's file and may bill the patient directly when necessary in order to secure full payment for Franchisee. Franchisee shall provide the Billing Manager with all necessary records, information, and assistance to enable it to provide such services. Franchisee shall promptly provide the Billing Manager all copies of all Explanation of Benefits forms received from third party payors as well as records of payments received directly from patients. Franchisee shall indemnify and hold Franchisor (and the Billing

Manager, if different from Franchisor), and their respective owners, directors, employees, and contractors harmless from and against any claims submitted on behalf of and in the name of Franchisee for which Franchisee provided false, fraudulent, incomplete, misleading, or otherwise incorrect information or data. The Billing Manager reserves the right to set additional terms and conditions. Franchisor also reserve the right to modify or cease offering the billing service, or to change the fee for this service.

(b) Training and Support Program. Through its "Home Care University" (or a replacement program), Franchisor and its affiliates will offer training for (1) home care (personal care and companion care), (2) home healthcare (skilled nursing services), and (3) hospice services, throughout the term of this Agreement. Training seminars are currently three days in length and are currently held monthly on a rotating basis (so that each topic is covered on a quarterly basis). Franchisor will not charge a fee for such seminars. Franchisee is responsible for travel costs and expenses. Franchisee shall have unlimited free attendance at national training conferences (up to 3 attendees per conference which must include Franchisee). Franchisor's representatives will conduct annual site visits for mock site inspections for Medicare and accreditation agencies, OASIS (Outcome and Assessment Information Set) training, QAPI training, and assistance in training and educating new hires and sales personnel. Franchisor currently performs two site visits per year if Franchisee is opening a new Service in that year. In other years, Franchisor currently performs one site visit per year. If Franchisee requests additional site visits, Franchisor reserve the right to charge a fee (currently $1,500 per day plus our expenses).

(c) Quality Assessment Program (QAP). Franchisees will have access to Franchisor's QAP ongoing clinical consulting. Listed below are some of the services currently offered by Franchisor without charge:

- Scheduled monthly calls with Franchisee's clinical coach to review and discuss quality indicators, trends, action plans and outcomes. With the option of attending the agency's quarterly QAPI meeting teleconference.

- Completion of any plans of correction that may be received by Franchisee's agency and assistance with evidence

- Annual mock site inspection completed by a member of Franchisor's clinical team

- Nurse consultant on call (telephone assistance from our clinical team when needed).

- Maintaining and updating policies and procedures, compliant with state, federal and/or accreditation regulation changes.

- State licensure updates and renewal applications as needed.

- Updates to Franchisee's 855a (Medicare) application as needed

- Assistance with Medicare recertification/re-accreditation ongoing approval process.

- Calendar, template, and timelines for various committee minutes.

- Performance improvement project (PIP) requirements to include audit tools and assistance with identifying project needs

Franchisor reserves the right to add, delete or modify any of the programs described in this Section.

(d) Provider Enrollment Services. Franchisor or its affiliate will provide enrollment services for Franchisee, including enrollment and assistance with approval process for the following:

- Medicaid (where applicable)
- State specific Medicaid waiver programs
- Insurance company enrollments (short and long term)
- Workman's Compensation programs
- Veterans' programs

(e) Marketing. Franchisor will advise Franchisee regarding marketing strategy, and regarding traditional and digital marketing.

(f) Establishing prices. Franchisor will provide recommended prices for services, based on Franchisee completing a competitive analysis within the Territory.

(g) Marketing Fund. Franchisor will administer the Marketing Fund.

(h) Website. Franchisor will maintain a website for the Home Care for the 21st Century brand.

5.6 Limitation Regarding Licenses, Accreditation, and Certification. With respect to government licenses, accreditation, certifications, and other services described in Section 5.4 and elsewhere in this Agreement, Franchisee acknowledges that (1) Franchisor does not guarantee a successful outcome, (2) government authorities may cease issuing licenses in Franchisee's jurisdiction, and (3) Franchisee may be unable to obtain licenses, accreditations, and certifications for various reasons outside of Franchisor's control. Franchisor is not liable to Franchisee for any failure to obtain a government license, accreditation, or certification unless such failure to was to Franchisor's gross negligence or willful misconduct. If Franchisee is unable to obtain the necessary licenses required to provide Services under this Agreement due to a government moratorium, then Franchisee may terminate this Agreement (but not receive a refund of any fees paid to Franchisor), provided that Franchisee and each Franchisee Entity executes a general release (on Franchisor's then-standard form) of any and all claims against Franchisor, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

6.1 Location. Franchisee is solely responsible for selecting the Location. If the Location is not stated on the Summary Page, then Franchisee shall find a suitable Location within the Territory. If requested by Franchisee, Franchisor will assist Franchisee in finding a suitable Location. Franchisee may open additional offices in their Territory, so long as each additional office meets any applicable System Standards.

6.2 Development. If the Location will be open to the public or used for meeting clients or potential clients, then Franchisee shall construct (or remodel) and finish the Location in conformity with Franchisor's System Standards.

6.3 New Franchisee Training. Franchisee's Principal Executive must complete Franchisor's training program for new franchisees to Franchisor's satisfaction at least four weeks before opening the Business.

6.4 Conditions to Opening. Franchisee shall notify Franchisor at least 30 days before Franchisee intends to open the Business. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) Franchisee has hired sufficient employees, (5) Franchisee's officers and employees have completed all of Franchisor's required pre-opening training; and (6) Franchisor has given its written approval to open, which will not be unreasonably withheld.

6.6 Opening Date. Franchisee shall open the Business on or before the date stated on Attachment 2 for the initial Service.

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards, as they are now or hereafter established. Franchisee acknowledges and agrees that the products and services offered under the Marks have a reputation for excellence and that Franchisee's compliance with all System Standards is of the utmost importance to Franchisor.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws, regulations, rules, ordinances, and other governmental requirements applicable to Franchisee or the Business. Franchisee and the Business shall obtain and keep in force (at Franchisee's sole expense) all governmental permits and licenses necessary for the Business.

7.3 Accreditation. Franchisee and the Business must obtain, maintain, and renew accreditation from such independent accrediting agencies that Franchisor specifies, at Franchisee's sole expense.

7.4 Services.

(a) Generally. Franchisee shall offer a Service only in the manner prescribed by Franchisor in the Manual or otherwise in writing. Franchisee shall also offer to sell all products, and only those products, from time to time prescribed by Franchisor in the Manual or otherwise in writing. Franchisee shall perform all Services in a high-quality manner that meets or exceeds the client's reasonable expectations, all legal standards, all industry best-practices, and all applicable System Standards.

(b) Services Schedule. Franchisee shall begin offering particular Services on the schedule set forth on Attachment 2. After Franchisee begins offering a particular Service, it shall continue to offer such Service for the remainder of the term of this Agreement, including any extensions, renewals, or successor terms. Franchisee acknowledges that Franchisor can agree with other franchisees to offer less Services or more Services than Franchisee, and/or a different schedule for starting particular Services.

(c) Conditions to Begin a Service. Franchisee shall begin offering any particular Service only if (i) authorized by Franchisor, (ii) Franchisee and its personnel have completed all training required by Franchisor for such Service, (iii) Franchisee has purchased all Inputs required and met all other applicable System Standards for such Service, and (iv) Franchisee has received all necessary governmental approvals, permits, and licenses.

(d) Pricing. Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services.

(g) No Practice of Medicine. Neither Franchisee nor any person engaged or employed by Franchisee shall engage in the practice of medicine (as defined in the jurisdiction(s) where Franchisee operates) in connection with the Business. If any service required by Franchisor as part of the System would constitute the practice of medicine (as defined in the jurisdiction(s) where Franchisee operates), such requirement will not apply to Franchisee.

7.5 Personnel.

(a) Service. Franchisee shall cause its personnel to render competent and courteous service to all clients and members of the public.

(b) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance and hygiene standards set forth in the Manual.

(c) Qualifications. Franchisor shall have each employee or contractor be adequately trained and appropriately certified and legally authorized for any particular Service performed by such person.

(d) Sole Responsibility. Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Franchisor are not joint employers, and no employee of Franchisee will be an agent or employee of Franchisor. Within seven days of Franchisor's request, Franchisee and each of its employees will sign an acknowledgment form stating that Franchisee alone (and not Franchisor) is the employee's sole employer. Franchisee will use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements, and Franchisee will not use the Marks on any of these documents.

7.6 Post-Opening Training. Franchisor may at any time require that the Principal Executive and/or any other employees complete training programs, in any format and in any location determined by Franchisor. Franchisor may charge a reasonable fee for any training programs. Franchisor may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by the Principal Executive or any other employee, then Franchisee shall pay all travel, living and other expenses.

7.7 Software. Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Franchisor. Franchisee shall enter into any subscription and support agreements that Franchisor may require. Franchisee shall upgrade, update, or replace any software from time to time as Franchisor may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give Franchisor unlimited access to Franchisee's point of sale system and other software systems used in the Business, by any means designated by Franchisor.

7.8 Client Complaints. Franchisee shall use its best efforts to promptly resolve any client complaints. Franchisor may take any action it deems appropriate to resolve a client complaint regarding the Business, and Franchisor may require Franchisee to reimburse Franchisor for any expenses.

7.9 Client Evaluation and System Compliance Programs. Franchisee shall participate at its own expense in programs required from time to time by Franchisor for obtaining client evaluations, reviewing Franchisee's compliance with the System, and managing client complaints, which may include (but are not limited to) a client feedback system, client survey programs, and mystery shopping. Franchisor shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Franchisor for such programs.

7.10 Payment Systems. Franchisee shall accept payment from clients in any form or manner designated by Franchisor (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Franchisor. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

7.11 Loyalty and Incentive Programs. At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any client loyalty programs or client incentive programs, designated by Franchisor, in the manner specified by

Franchisor in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Home Care for the 21st Century business. Franchisee shall comply with all procedures and specifications of Franchisor related to gift cards, certificates, and other pre-paid systems, or related to client loyalty or client incentive programs.

7.12 Maintenance and Repair. If the Location will be open to the public or used for meeting clients or potential clients, then Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair.

7.13 Vehicles.

(a) Principal Executive's Vehicle. Beginning one year after Franchisee opens for business, the Principal Executive must have a vehicle with Franchisor's required vehicle signage and décor. The vehicles must be kept in excellent or better condition, clean, and free of dents and other damage, and present a first-class image appropriate to Franchisor's System.

(b) Non-Emergency Medical Transport Vehicles. Vehicles used for client transport must meet the then-current System Standards, including age, make and model, signage, titling, and regulatory compliance.

7.14 Meetings. The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that Franchisor requires, including any national or regional brand conventions. Franchisee shall not permit the Principal Executive to fail to attend more than three consecutive required meetings.

7.15 Insurance.

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by Franchisor in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

(i) Commercial General Liability insurance and Professional liability coverage, written on an "occurrence" policy form in an amount of not less than $1,000,000 single limit per occurrence and $3,000,000 aggregate limit;

(ii) Business Automobile Liability insurance including non-owned and hired automobiles coverage in an amount of not less than $1,000,000;

(iii) physical and sexual abuse coverage in an amount of not less than $1,000,000;

(iv) privacy coverage in an amount not less than $1,000,000,

(iv) commercial crime coverage in an amount of not less than $50,000;

(vi) business personal property in an amount not less than $50,000, and

(vii) Workers Compensation coverage as required by state law.

(b) Franchisee's policies (other than Workers Compensation) must (1) list Franchisor and its affiliates as an additional insured, (2) include a waiver of subrogation in favor of Franchisor and its affiliates, (3) be primary and non-contributing with any insurance carried by Franchisor or its affiliates, and (4) stipulate that Franchisor shall receive 30 days' prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Franchisor prior to opening and upon annual renewal of the insurance coverage, as well as at any time within 15 days after request by Franchisor. Franchisor retains the right to require Franchisee to use a designated insurance broker.

7.16 Obligations to Third Parties and Government. Franchisee shall pay all vendors and suppliers in a timely manner. Franchisee shall pay all taxes when due. If Franchisee borrows money, it shall comply with the terms of its loan and make all loan payments when due. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location and make all rent payments when due.

7.17 Public Relations. Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Home Care for the 21st Century, the Business, or any particular incident or occurrence related to the Business, without Franchisor's prior written approval, which will not be unreasonably withheld.

7.18 Association with Causes. Franchisee shall not in the name of the Business (i) donate money, products, or services to any charitable, political, religious, or other organization, or (ii) act in support of any such organization, without Franchisor's prior written approval which will not be unreasonably withheld.

7.19 No Other Businesses. If Franchisee is an entity, the entity shall not own or operate any other business except Home Care for the 21st Century.

7.20 No Third-Party Management. Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of Franchisor, which will not be unreasonably withheld.

7.21 No Co-Branding. Franchisee shall not "co-brand" or associate any other business activity with the Home Care for the 21st Century Business in a manner which is likely to cause the public to perceive it to be related to the Home Care for the 21st Century Business.

7.22 No Subcontracting. Franchisee shall not subcontract or delegate to a third party any services to be performed by Franchisee for a client (other than engaging individuals as independent contractors in the ordinary course of business).

7.23 Identification. Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Franchisor.

7.24 Business Practices. Franchisee, in all interactions with clients, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Franchisor. Franchisee shall not take any action which injures or is reasonably likely to injure the goodwill associated with the Marks.

ARTICLE 8. SUPPLIERS AND VENDORS

8.1 Generally. Franchisee shall acquire all Inputs required by Franchisor from time to time in accordance with System Standards. Franchisor may require Franchisee to purchase or lease any Inputs from Franchisor, Franchisor's designee, Required Vendors, Approved Vendors, and/or under Franchisor's specifications. Franchisor may change any such requirement or change the status of any vendor. To make such requirement or change effective, Franchisor shall issue the appropriate System Standards.

8.2 Alternate Vendor Approval. If Franchisor requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Franchisor. Franchisor may condition its approval on such criteria as Franchisor deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Franchisor will provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee's request.

8.3 Alternate Input Approval. If Franchisor requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Franchisor. Franchisor will provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee's request.

8.4 Purchasing. Franchisor may implement a centralized purchasing system. Franchisor may negotiate prices and terms with vendors on behalf of the System. Franchisor may receive rebates or payments from vendors in connection with purchases by franchisees. Franchisor may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Franchisor may determine.

8.5 No Liability of Franchisor. Franchisor shall not have any liability to Franchisee for any claim or loss related to any product provided or service performed by any Approved Vendor or Required Vendor, including without limitation defects, delays, or unavailability of products or services.

8.6 Product Recalls. If Franchisor or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from Franchisor or the vendor, supplier, or manufacturer of such item with respect to the recall, repair, or other remedy of such item.

ARTICLE 9. MARKETING

9.1 Approval and Implementation. Franchisee shall not conduct any marketing, advertising or public relations activities (including websites, online advertising, social media marketing or presence, and sponsorships) that have not been approved by Franchisor. Franchisor may (but is not obligated to) operate all "social media" accounts on behalf of the System, or it may permit Franchisee to operate one or more accounts. Franchisee must comply with any System Standards regarding marketing, advertising, and public relations, including any social media policy that Franchisor may prescribe. Franchisee shall implement any marketing plans or campaigns determined by Franchisor.

9.2 Use by Franchisor. Franchisor may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, royalty-free license to Franchisor for such purpose.

9.3 Marketing Fund. Franchisor has established or may establish a Marketing Fund to promote the System on a local, regional, national, and/or international level. If Franchisor has established a Marketing Fund:

(a) Separate Account. Franchisor shall hold the Marketing Fund Contributions from all franchisees in one or more bank accounts separate from Franchisor's other accounts.

(b) Use. Franchisor shall use the Marketing Fund only for marketing, advertising, and public relations materials, programs, and campaigns (including at local, regional, national, and/or international level) for Home Care for the 21st Century, and related overhead. The foregoing includes such activities and expenses as Franchisor reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing; and administrative and overhead expenses related to the Marketing Fund (including the compensation of Franchisor's employees working on marketing and for accounting, bookkeeping, reporting, legal, and other expenses related to the Marketing Fund).

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at Franchisor's sole discretion, and Franchisor has no fiduciary duty with regard to the Marketing Fund.

(d) Contribution by Other Outlets. Franchisor is not obligated to (i) have all other Home Care for the 21st Century businesses (whether owned by other franchisees or by Franchisor or its affiliates) contribute to the Marketing Fund, or (ii) have other Home Care for the 21st Century businesses that do contribute to the Marketing Fund contribute the same amount or at the same rate as Franchisee.

(e) Surplus or Deficit. Franchisor may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, Franchisor may loan such funds to the Marketing Fund on reasonable terms.

(f) Financial Statement. Franchisor will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of Franchisor's fiscal year and will provide the financial statement to Franchisee upon request.

9.4 Market Cooperatives. Franchisor may establish market advertising and promotional cooperative funds ("Market Cooperative") in any geographical areas. If a Market Cooperative for the geographic area encompassing the Territory has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Cooperative. If a Market Cooperative for the geographic area encompassing the Territory is established during the term of this Agreement, Franchisee shall become a member of such Market Cooperative within 30 days. Franchisor shall not require Franchisee to be a member of more than one Market Cooperative. If Franchisor establishes a Market Cooperative:

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by Franchisor. Franchisor may require the Market Cooperative to adopt bylaws or regulations prepared by Franchisor. Unless otherwise specified by Franchisor, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. Franchisor will be entitled to attend and participate in any meeting of a Market Cooperative. Any Home Care for the 21st Century business owned by Franchisor in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative are unable or fail to determine the manner in which Market Cooperative monies will be spent, Franchisor may assume this decision-making authority after 10 days' notice to the members of the Market Cooperative.

(b) Purpose. Each Market Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to Franchisor's approval), standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a Market Cooperative or furnished to its members without the prior approval of Franchisor pursuant to Section 9.1. Franchisor may designate the national or regional advertising agencies used by the Market Cooperative.

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and not more than 5% of Gross Sales.

(e) Enforcement. Only Franchisor will have the right to enforce the obligations of franchisees who are members of a Market Cooperative to contribute to the Market Cooperative.

(f) Termination. Franchisor may terminate any Market Cooperative. Any funds left in a Market Cooperative upon termination will be transferred to the Marketing Fund.

9.5 Required Spending. Franchisee shall spend at least $500 or 2% of Gross Sales (whichever is greater) each month on marketing the Business. Within 10 days after request of Franchisor, Franchisee shall furnish proof of its compliance with this Section. Franchisor has the discretion to determine in good faith what activities constitute "marketing" under this Section. If Franchisee contributes to a Market Cooperative, the amount of the contribution will be counted towards Franchisee's required spending under this Section.

ARTICLE 10. RECORDS AND REPORTS

10.1 Systems. Franchisee shall use such client data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as Franchisor may specify in the Manual or otherwise in writing.

10.2 Reports.

(a) Financial Reports. Franchisee shall provide such periodic financial reports as Franchisor may require in the Manual or otherwise in writing, including:

(i) a monthly profit and loss statement and balance sheet for the Business within 15 days after the end fiscal month;

(ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of the calendar year; and

(iii) any information Franchisor requests in order to prepare a financial performance representation for Franchisor's franchise disclosure document, within 30 days after request.

(b) Legal Actions and Investigations. Franchisee shall promptly (and no more than three business days) notify Franchisor of any Action or threatened Action known to Franchisee by any client, governmental authority, or other third party against Franchisee or the Business, or otherwise involving Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Franchisor may request.

(c) Government Inspections. Franchisee shall give Franchisor copies of all inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(d) Other Information. Franchisee shall submit to Franchisor such other financial statements, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Franchisor may reasonably request. Franchisor acknowledges that all personnel records of the Business belong to Franchisee and that this Agreement does not grant Franchisor the right to access personnel records of Franchisee's employees.

10.3 Initial Investment Report. Within 120 days after opening for business, Franchisee shall submit to Franchisor a report detailing Franchisee's investment costs to develop and open the

Business, with costs allocated to the categories described in Item 7 of Franchisor's Franchise Disclosure Document and with such other information as Franchisor may request.

10.4 Business Records. Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least three years. Franchisee shall keep such other business records as Franchisor may specify in the Manual or otherwise in writing.

10.5 Records Audit. Franchisor may examine and audit all books and records related to the Business (other than personnel records of Franchisee's employees), and supporting documentation, at any reasonable time. Franchisor may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by Franchisor. Franchisee shall also reimburse Franchisor for all costs and expenses of the examination or audit if (i) Franchisor conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee understated Gross Sales by 3% or more for any month.

10.6 Remote Access to Point of Sale System. Franchisee shall give Franchisor unlimited access to Franchisee's point of sale system and other software systems used in the Business, by any means designated by Franchisor.

ARTICLE 11. FRANCHISOR RIGHTS

11.1 Manual; Modification. The Manual, and any part of the Manual, may be in any form or media determined by Franchisor. Franchisor may supplement, revise, or modify the Manual, and Franchisor may change, add, or delete System Standards at any time in its discretion. Franchisor may inform Franchisee thereof by any method that Franchisor deems appropriate (which need not qualify as "notice" under Section 18.9). In the event of any dispute as to the contents of the Manual, Franchisor's master copy will control.

11.2 Business Evaluation. Franchisor may accompany Franchisee or its personnel on any services performed for a client to conduct an evaluation. If the Location will be open to the public or used for meeting clients or potential clients, Franchisor may enter the premises of the Business from time to time during normal business hours and conduct an evaluation. Franchisee shall cooperate with Franchisor's evaluators. The evaluation may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and clients, and removing samples of products, supplies and materials. Franchisor may videotape and/or take photographs of the evaluation. Franchisor may set a minimum score requirement for evaluations, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Franchisor's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an evaluation. If Franchisor conducts an evaluation because of a governmental report, client complaint or other client feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed evaluation), then Franchisor may charge all out-of-pocket expenses plus its then-current evaluation fee to Franchisee.

11.3 Franchisor's Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, Franchisor may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse Franchisor for its costs and expenses (including the allocation of any internal costs) for such action.

11.4 Right to Discontinue Services Upon Default. While Franchisee is in default or breach of this Agreement, Franchisor may (i) require that Franchisee pay cash on delivery for products or services supplied by Franchisor, (ii) stop selling or providing any products and services to Franchisee, and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by Franchisor shall be a breach or constructive termination of this Agreement, change in competitive circumstances or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of Franchisor are in addition to any other right or remedy available to Franchisor.

11.5 Business Data. Subject to applicable law and regulations (including HIPAA), all client data and other non-public data generated by the Business (other than data related to employees of the Business) is Confidential Information and is exclusively owned by Franchisor. Franchisor hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

11.6 Innovations. Franchisee shall disclose to Franchisor all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee, or its employees, agents, or contractors. Franchisor will automatically own all Innovations, and it will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee. Franchisee shall execute any documents reasonably requested by Franchisor to document Franchisor's ownership of Innovations.

11.7 Communication Systems. If Franchisor provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems, and Franchisee authorizes Franchisor to access such communications.

11.8 Communication with Employees. Franchisee irrevocably authorizes Franchisor to communicate with Franchisee's employees and contractors on any matter related to the System or the Business. Franchisee will not prohibit any employee or contractor from communicating with Franchisor on any matter related to the System or the Business.

11.9 Communications with Landlord and Lenders. Franchisee irrevocably authorizes Franchisor to communicate with Franchisee's landlord and lender(s), or prospective landlord and lender(s), about matters relating to the Business, and to provide information about the Business to them.

11.10 Delegation. Franchisor may delegate any duty or obligation of Franchisor under this Agreement to an affiliate or to a third party.

11.11 System Variations. Franchisor may vary or waive any System Standard for any one or more Home Care for the 21st Century franchises due to the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices, applicable laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

11.12 Temporary Public Safety Suspension. If Franchisor discovers or becomes aware of any aspect of the Business which, in Franchisor's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Franchisor's order, Franchisee must temporarily cease that aspect of the Business (or the entire operations of the Business, in Franchisor's sole discretion) and remedy the dangerous condition. Franchisor shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

11.12 Franchisor's Discretion. Franchisor may engage in any activity not expressly prohibited by this Agreement. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Whenever Franchisor agrees to exercise its rights reasonably or in good faith, Franchisor will have satisfied its obligations whenever its exercises reasonable business judgment in making a decision or exercising its rights. Franchisor's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended, in whole or significant part, to promote or benefit the System or the Home Care for the 21st Century brand generally even if the decision or action also promotes Franchisor's financial or other individual interest. Examples of items that will promote or benefit the System or the Home Care for the 21st Century brand include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System and Home Care for the 21st Century outlets.

ARTICLE 12. MARKS

12.1 Authorized Marks. Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by Franchisor, and only in the manner as Franchisor may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of Franchisor.

12.2 Change of Marks. Franchisor may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Franchisor makes any such change (not to exceed 90 days), Franchisee must comply with the change, at Franchisee's expense.

12.3 Infringement.

(a) Defense of Franchisee. If Franchisee has used the Marks in accordance with this Agreement, then (i) Franchisor shall defend Franchisee (at Franchisor's expense) against any Action by a third party alleging infringement by Franchisee's use of a Mark, and (ii) Franchisor will indemnify Franchisee for expenses and damages if the Action is resolved unfavorably to Franchisee.

(b) Infringement by Third Party. Franchisee shall promptly notify Franchisor if Franchisee becomes aware of any possible infringement of a Mark by a third party. Franchisor may, in its sole discretion, commence or join any claim against the infringing party.

(c) Control. Franchisor shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

ARTICLE 13. COVENANTS

13.1 Confidential Information. With respect to all Confidential Information, Franchisee shall (a) adhere to all procedures prescribed by Franchisor for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business, (c) not use any such information in any other business or in any manner not specifically authorized in writing by Franchisor, (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by Franchisor (except for Confidential Information which Franchisor licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

13.2 Covenants Not to Compete.

(a) Restriction – In Term. During the term of this Agreement, neither Franchisee nor Franchisee's spouse (the "Restricted Parties") shall directly or indirectly operate, have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly operate, have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor operating in any of Franchisee's Territory or the territory of any other Home Care for the 21st Century business operating on the date of expiration, termination or transfer, as applicable.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court or arbitrator, then the parties intend that the court or arbitrator modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Franchisor. Franchisee agrees that the existence of any claim it may have against Franchisor shall not constitute a defense to the enforcement by Franchisor of the covenants of this Section. If a Restricted Party fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended for each day of noncompliance.

13.3 Employee Recruitment. During the term of this Agreement and for one year after termination, transfer, or expiration of this Agreement, Franchisee shall not knowingly employ or seek to employ or engage as an independent contractor any person then employed by Franchisor or its affiliates.

13.4 General Manager and Key Employees. If requested by Franchisor, Franchisee will cause its general manager and other key employees that Franchisor reasonably designates to sign Franchisor's then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

ARTICLE 14. DEFAULT AND TERMINATION

14.1 Termination by Franchisee. Franchisee may terminate this Agreement only if Franchisor violates a material provision of this Agreement and fails to cure or to make substantial progress toward curing the violation within 30 days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective 10 days after Franchisor receives written notice of termination.

14.2 Termination by Franchisor.

(a) Subject to 10-Day Cure Period. Franchisor may terminate this Agreement if Franchisee does not make any payment to Franchisor when due, or if Franchisee does not have sufficient funds in its account when Franchisor attempts an electronic funds withdrawal, and Franchisee fails to cure such non-payment within 10 days after Franchisor gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c), and Franchisee fails to cure such breach to Franchisor's satisfaction within 30 days after Franchisor gives notice to Franchisee of such breach, then Franchisor may terminate this Agreement.

(c) Without Cure Period. Franchisor may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

(i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;

(ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Franchisor;

(iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;

(iv) Franchisee fails to open its first Service for business by the date specified on Attachment 2;

(v) Franchisee violates Section 7.2 (compliance with laws), Section 13.1 (confidentiality), Section 13.2 (non-compete), or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;

(vi) Franchisee ceases operation of the Business for more than five consecutive days, or Franchisor reasonably concludes that Franchisee has or will cease operation of the Business;

(vii) Franchisee slanders or libels Franchisor or any of its employees, directors, or officers;

(viii) Franchisee refuses to cooperate with or permit any audit or evaluation by Franchisor or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2.

(ix) the Business is operated in a manner which, in Franchisor's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Franchisor or otherwise);

(x) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;

(xi) Franchisor (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate); or

(xii) Franchisee is charged with, pleads guilty or no-contest to, or is convicted of a felony; or

(xiii) Franchisee is accused by any governmental authority or third party of any act, or if Franchisee commits any act or series of acts, that in Franchisor's opinion is reasonably likely to materially and unfavorably affect Franchisor's brand.

14.3 Effect of Termination. Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, indemnity, and dispute resolution, will remain in effect, and Franchisee must immediately:

(i) pay all amounts owed to Franchisor based on the operation of the Business through the effective date of termination or expiration;

(ii) return to Franchisor all copies of the Manual, Confidential Information and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items (to the extent in the possession or control of Franchisee); and delete all Confidential Information and proprietary materials from electronic devices;

(iii) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Franchisor or any new franchisee as may be directed by Franchisor, and Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing; and

(iv) cease doing business under any of the Marks.

14.4 Remove Identification. If Franchisee operates from a Location other than Franchisee's home, then within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Home Care for the 21st Century business, to the reasonable satisfaction of Franchisor. Franchisee shall comply with any reasonable instructions and procedures of Franchisor for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Franchisor may enter the Location to remove the Marks and de-identify the Location. In this event, Franchisor will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Franchisor.

14.5 Other Claims. Termination of this Agreement by Franchisor will not affect or discharge any claims, rights, causes of action or remedies (including claims for Franchisor's lost future profits or income after termination), which Franchisor may have against Franchisee, whether arising before or after termination.

14.6 Purchase Option. When this Agreement expires or is terminated, Franchisor will have the right (but not the obligation) to purchase any or all of the assets related to the Business at fair market value. To exercise this option, Franchisor must notify Franchisee no later than 30 days after this Agreement expires or is terminated. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Franchisor's purchase will be of assets only (free and clear of all liens), and will not include any liabilities of Franchisee. If Franchisor exercises the purchase option, Franchisor may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts which

Franchisor paid or will pay to third parties to satisfy indebtedness owed by Franchisee to third parties. If any of the assets are subject to a lien, Franchisor may pay a portion of the purchase price directly to the lienholder to pay off such lien. Franchisor may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Franchisor may assign this purchase option to another party.

ARTICLE 15. TRANSFERS

15.1 By Franchisor. Franchisor may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and Franchisor may undergo a change in ownership and/or control, without the consent of Franchisee.

15.2 By Franchisee. Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Franchisor entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing Franchisor at least 60 days prior notice of the proposed Transfer, and without obtaining Franchisor's consent. In granting any such consent, Franchisor may impose conditions, including, without limitation, the following:

(i) Franchisor receives a transfer fee equal to $20,000 (provided that if the transferee is an existing franchisee of Home Care for the 21st Century, the transfer fee will be reduced to $10,000), plus any broker fees and other out-of-pocket costs incurred by Franchisor;

(ii) the proposed Transferee and its owners have completed Franchisor's franchise application processes, meet Franchisor's then-applicable standards for new franchisees, and have been approved by Franchisor as franchisees;

(iii) the proposed Transferee is not a Competitor;

(iv) the proposed Transferee executes Franchisor's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement;

(v) Franchisee has paid all monetary obligations to Franchisor, its affiliates, and any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Franchisor or its affiliates;

(vi) the proposed Transferee and its owners and employees undergo such training as Franchisor may require;

(vii) Franchisee and the transferee execute a general release of Franchisor in a form satisfactory to Franchisor; and

(viii) the Business fully complies with all of Franchisor's most recent System Standards.

15.3 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee, the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Franchisor within nine months after death or incapacity. Such transfer must comply with Section 15.2.

15.4 Franchisor's Right of First Refusal. Before Franchisee engages in a Transfer (except under Section 15.3, or to a spouse, sibling, or child of Franchisee), Franchisor will have a right of first refusal, as set forth in this Section. Franchisee shall provide to Franchisor a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Franchisor's receipt of such copy, Franchisor will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that Franchisor may substitute cash for any other form of payment). If Franchisor does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

15.5 No Sublicense. Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

15.6 No Lien on Agreement. Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend (with counsel reasonably acceptable to Franchisor) Franchisor, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Franchisor and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the operation of the Business. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions which Franchisee proves arose solely as a result of any Indemnitee's intentional misconduct or negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitee. This indemnity will continue in effect after this Agreement ends.

16.2 Assumption. Any Indemnitee may elect to assume the defense and/or settlement of any Action subject to this indemnification and control all aspects of defending the Action (including negotiations and settlement), at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

ARTICLE 17. DISPUTE RESOLUTION

17.1 Arbitration.

(a) Disputes Subject to Arbitration. Except as expressly provided in subsections (c) and (d), any controversy or claim arising out of or relating to this Agreement (including its formation and including any question or arbitrability) shall be resolved by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, including the Optional Rules for Emergency Measures of Protection. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

(b) Location. The place of arbitration shall be the city and state where Franchisor's headquarters are located.

(c) Injunctive Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy or right to arbitrate under this Agreement, seek from any court having jurisdiction any interim or provisional injunctive relief.

(d) Intellectual Property Claims. Either party may bring a claim involving an alleged infringement of any of Franchisor's intellectual property rights in a court authorized to hear such claims under Section 17.5 of this Agreement.

(e) Confidentiality. All documents, information, and results pertaining to any arbitration or lawsuit will be confidential, except as required by law or as required for Franchisor to comply with laws and regulations applicable to the sale of franchises.

(f) Performance During Arbitration or Litigation. Unless this Agreement has been terminated, Franchisor and Franchisee will comply with this Agreement and perform their respective obligations under this Agreement during the arbitration or litigation process.

17.2 Damages. In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages authorized by federal statute. In the event of termination of this Agreement prior to the expiration of the term due to Franchisee's default, Franchisor's actual damages will include its lost future income from Royalty Fees and other amounts that Franchisee would have owed to Franchisor but for the termination. Franchisor's total liability to Franchisee (under any cause of action) shall not exceed the total amount of fees paid by Franchisee to Franchisor under this Agreement.

17.3 Waiver of Class Actions. The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a class-wide basis.

17.4 Time Limitation. Any arbitration or other legal action arising from or related to this Agreement must be instituted within two years from the date of the conduct or event that forms the basis of the arbitration or other legal action. The foregoing time limit does not apply to claims (i) by Franchisor related to non-payment of amounts owed by Franchisee, (ii) for indemnity under Article 16, or (iii) related to unauthorized use of Confidential Information or the Marks.

17.5 Venue Other Than Arbitration. For any legal proceeding not required to be submitted to arbitration, the parties agree that any such legal proceeding will be brought in the United States District Court where Franchisor's headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where Franchisor's headquarters is then located. Each party consents to the jurisdiction of such courts and waives any objection that it, he or she may have to the laying of venue of any proceeding in any of these courts.

17.6 Legal Costs. In any legal proceeding (including arbitration) related to this Agreement or any guaranty, the non-prevailing party shall pay the prevailing party's attorney fees, costs and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

ARTICLE 18. MISCELLANEOUS

18.1 Relationship of the Parties. The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. Franchisor is not a fiduciary of Franchisee. Franchisor does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect Franchisor's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. Franchisor has no liability for Franchisee's obligations to any third party whatsoever.

18.2 No Third Party Beneficiaries. Except as stated in Article 16, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Franchisor, and Franchisor's affiliates.

18.3 Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Franchisor in its franchise disclosure document.

18.4 Modification. No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit Franchisor's rights to modify the Manual or System Standards.

18.5 Consent; Waiver. No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

18.6 Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.7 Severability. The parties intend that (i) if any provision of this Agreement is held by an arbitrator or court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded, and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

18.8 Governing Law. The laws of the state of Florida (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Florida law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.8.

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to Franchisor, addressed to 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, Franchisor may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication.

18.10 Holdover. If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time thereafter (regardless of any course of dealing by the parties), Franchisor may by giving written notice to Franchisee (the "Holdover Notice") either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Franchisor specifies, or (ii) bind Franchisee to a renewal term of 10 years, collect the renewal fee this Agreement specified in Section 3.2(v), and deem Franchisee to have made the general release of liability described in Section 3.2(vi).

18.11 Joint and Several Liability. If two or more people sign this Agreement as "Franchisee", each will have joint and several liability. Franchisee and each Franchise Entity will have joint and several liability.

18.12 No Offer and Acceptance. Delivery of a draft of this Agreement to Franchisee by Franchisor does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and Franchisor.

ARTICLE 19. CERTIFICATION OF FRANCHISOR'S COMPLIANCE

By signing this Agreement, Franchisee acknowledges the following:

(1) Franchisee understands all the information in Franchisor's Disclosure Document.

(2) Franchisee understands the success or failure of the Business will depend in large part upon Franchisee's skills, abilities and efforts and those of the persons

Franchisee employs, as well as many factors beyond Franchisee's control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace.

(3) That no person acting on Franchisor's behalf made any statement or promise regarding the costs involved in operating a Home Care for the 21st Century franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document, and Franchisee is not relying on any such statement or promise.

(4) That no person acting on Franchisor's behalf made any claim or representation to Franchisee, orally, visually, or in writing, that contradicted the information in the Disclosure Document, and Franchisee is not relying on any such claim or representation.

(5) That no person acting on Franchisor's behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a Home Care for the 21st Century franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document, and Franchisee is not relying on any such statement or promise.

(6) That no person acting on Franchisor's behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document, and Franchisee is not relying on any such statement or promise.

(7) Franchisee understands that this Agreement contains the entire agreement between Franchisor and Franchisee concerning the Home Care for the 21st Century franchise, which means that any oral or written statements not set out in this Agreement will not be binding.

[*Signatures on next page*]

Agreed to by:

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

By: ___________________________
Name: _________________________
Title: __________________________

FRANCHISEE:

____
Name: _________________________
Date: __________________________

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

_______ California
_______ Illinois
_______ Indiana
_______ Maryland
_______ Minnesota
_______ New York
_______ North Dakota
_______ Ohio
_______ Rhode Island
_______ Washington

Attachment 1 to Franchise Agreement

OWNERSHIP AND ENTITY INFORMATION

1. Franchise Entity. Franchisee has or will form a Franchise Entity to provide the Services. The Franchise Entity is or will be:

Entity Name: ___________________________
Entity Type: ______ *Limited Liability Company*
______ *Corporation*
State of Formation: ______________________

2. Franchise Owners:

Name	Shares or Percentage of Ownership

3. Franchise Officers:

Name	Title

4. Joinder. By signing below, Franchisee hereby causes the Franchise Entity to become a party to the Franchise Agreement and be fully bound by and subject to the Franchise Agreement (including all current and future amendments and riders thereto) as though an original party thereto. Franchisee and the Franchise Entity is jointly and severally liable under the Franchise Agreement. Any breach of or default under the Franchise Agreement by a Franchise Entity will be deemed a breach and default by Franchisee.

Executed by:

____
Name: __________________________
On behalf of the Franchise Entity named above
Date: ___________________________

Attachment 2 to Franchise Agreement

ROYALTY AND SERVICE DEVELOPMENT SCHEDULE

1. Royalty Fee (Section 4.1). The Royalty Fee is:

Gross Sales In A Calendar Year	Royalty Fee
Up to $2,000,000	6.9%
$2,000,001 to $3,000,000	6.4%
$3,000,001 to $4,000,000	5.9%
$4,000,001 and up	5.4%

2. Minimum Royalty Fee (Section 4.1). The Minimum Royalty Fee is:

Months In Operation	Minimum Royalty Fee
1-2 months	No Minimum
3-12 months	$500/month
13-24 months	$1,000/month
25-36 months	$1,800/month
37-48 months	$2,500/month
49 and all months thereafter	$3,200/month

3. Services Schedule (Section 7.4). Franchisee shall begin offering (and thereafter continue offering) Services as follows:

Service	Deadline To Start Being Offered
Personal care and Companion care	
Skilled nursing services – private duty	
Skilled nursing services – Medicare	
Hospice	
Medical staffing	
Durable medical equipment (DME)	
Non-emergency medical transportation	

Attachment 3 to Franchise Agreement

HIPAA BUSINESS ASSOCIATE AGREEMENT

This Agreement is made between Home Care for the 21st Century, LLC, a Delaware limited liability company, on behalf of itself and its affiliates (collectively, "Business Associate") and the undersigned franchisee ("Covered Entity") effective as of ________________________.

1. Term. This Agreement will remain in effect for the term of the Franchise Agreement between Home Care for the 21st Century, LLC and Covered Entity, unless sooner terminated.

2. HIPAA Assurances. In the event Business Associate creates, receives, maintains, or otherwise is exposed to personally identifiable or aggregate patient or other medical information defined as Protected Health Information ("PHI") in the Health Insurance Portability and Accountability Act of 1996 or its relevant regulations ("HIPAA") and otherwise meets the definition of Business Associate as defined in the HIPAA Privacy Standards (45 CFR Parts 160 and 164), Business Associate shall:

(a) Recognize that HITECH (the Health Information Technology for Economic and Clinical Health Act of 2009) and the regulations thereunder (including 45 C.F.R. Sections 164.308, 164.310, 164.312, and 164.316), apply to a business associate of a covered entity in the same manner that such sections apply to the covered entity;

(b) Not use or further disclose the PHI, except as permitted by law;

(c) Not use or further disclose the PHI in a manner that had done so, would violate the requirements of HIPAA;

(d) Use appropriate safeguards (including implementing administrative, physical, and technical safeguards for electronic PHI) to protect the confidentiality, integrity, and availability of and to prevent the use or disclosure of the PHI other than as provided for by this Agreement;

(e) Comply with each applicable requirement of 45 C.F.R. Part 162 if the Business Associate conducts Standard Transactions for or on behalf of the Covered Entity;

(f) Report promptly to Covered Entity any security incident or other use or disclosure of PHI not provided for by this Agreement of which Business Associate becomes aware;

(g) Ensure that any subcontractors or agents who receive or are exposed to PHI (whether in electronic or other format) are explained the Business Associate obligations under this paragraph and agree to the same restrictions and conditions;

(h) Make available PHI in accordance with the individual's rights as required under the HIPAA regulations;

(i) Account for PHI disclosures for up to the past six years as requested by Covered Entity, which shall include: (i) dates of disclosure, (ii) names of the entities or persons who received the PHI, (iii) a brief description of the PHI disclosed, and (iv) a brief statement of the purpose and basis of such disclosure;

(j) Make its internal practices, books, and records that relate to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services for purposes of determining Customer's compliance with HIPAA; and

(k) Incorporate any amendments or corrections to PHI when notified by Customer or enter into a Business Associate Agreement or other necessary Agreements to comply with HIPAA.

3. Termination Upon Breach of Provisions. Notwithstanding any other provision of this Agreement, Covered Entity may immediately terminate this Agreement if it determines that Business Associate breaches any term in this Agreement. Alternatively, Covered Entity may give written notice to Business Associate in the event of a breach and give Business Associate five (5) business days to cure such breach. Covered Entity shall also have the option to immediately stop all further disclosures of PHI to Business Associate if Covered Entity reasonably determines that Business Associate has breached its obligations under this Agreement. In the event that termination of this Agreement and the Agreement is not feasible, Business Associate hereby acknowledges that the Covered Entity shall be required to report the breach to the Secretary of the U.S. Department of Health and Human Services, notwithstanding any other provision of this Agreement or Agreement to the contrary.

4. Return or Destruction of Protected Health Information upon Termination. Upon the termination of this Agreement, unless otherwise directed by Covered Entity, Business Associate shall either return or destroy all PHI received from the Covered Entity or created or received by Business Associate on behalf of the Covered Entity in which Business Associate maintains in any form. Business Associate shall not retain any copies of such PHI. Notwithstanding the foregoing, in the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible upon termination of this Agreement, Business Associate shall provide to Covered Entity notification of the condition that makes return or destruction infeasible. To the extent that it is not feasible for Business Associate to return or destroy such PHI, the terms and provisions of this Agreement shall survive such termination or expiration and such PHI shall be used or disclosed solely as permitted by law for so long as Business Associate maintains such Protected Health Information.

5. No Third Party Beneficiaries. The parties agree that the terms of this Agreement shall apply only to themselves and are not for the benefit of any third party beneficiaries.

6. De-Identified Data. Notwithstanding the provisions of this Agreement, Business Associate and its subcontractors may disclose non-personally identifiable information provided that the disclosed information does not include a key or other mechanism that would enable the information to be identified.

7. Amendment. Business Associate and Covered Entity agree to amend this Agreement to the extent necessary to allow either party to comply with the Privacy Standards, the Standards for Electronic Transactions, the Security Standards, or other relevant state or federal laws or regulations created or amended to protect the privacy of patient information. All such amendments shall be made in a writing signed by both parties.

8. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the then most current version of HIPAA and the HIPAA privacy regulations.

9. Definitions. Capitalized terms used in this Agreement shall have the meanings assigned to them as outlined in HIPAA and its related regulations.

10. Survival. The obligations imposed by this Agreement shall survive any expiration or termination of this Agreement.

11. Governing Law; Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the state of Florida (without giving effect to its principles of conflicts of law). The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Agreement as if fully set forth herein.

Agreed to by:

HOME CARE FOR THE 21ST CENTURY, LLC

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

FRANCHISEE:

____

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

EXHIBIT C

FORM OF GENERAL RELEASE

[*This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.*]

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor").

Background Statement: [*describe circumstances of Release*]

Releasor agrees as follows:

1. Release. Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties")) hereby releases Franchisor, its affiliates, and their respective directors, officers, shareholders, employees, franchise sellers, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, "Claims").

2. Covenant Not to Sue. Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any Released Party with respect to any Claim.

3. Representations and Acknowledgments. Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.

4. Miscellaneous. If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Franchisor reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

5. State Addenda.

[Maryland Residents]: This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

[Washington Residents]: A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel.

Agreed to by:

____
Name: ________________________
Date: _________________________

EXHIBIT D

FINANCIAL STATEMENTS
(AND GUARANTEE OF PERFORMANCE)

GUARANTEE OF PERFORMANCE

For value received, Home Care for the Twenty First Century Holdings, LLC, a Delaware limited liability company (the Guarantor"), located at 20 William Street, Suite 250, Wellesley, Massachusetts 02481, absolutely and unconditionally guarantees to assume the duties and obligations of Home Care for the 21st Century, LLC, a Delaware limited liability company located at 3911 Golf Park Loop, Suite 104, Bradenton, Florida 34203 (the "Franchisor") under its franchise registrations in each state where the franchise is registered and under its Franchise Agreement identified in its 2022 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 Bradenton, Florida, on the 15th day of July 2022.

Guarantor:

Home Care for the
Twenty First Century Holdings, LLC

DocuSigned by:

By: John Dapello

33D59CF19AA2421

Name: John Dapello

Title: Manager

HOME CARE FOR THE TWENTY FIRST CENTURY HOLDINGS, LLC

CONSOLIDATED FINANCIAL STATEMENTS

As of May 31, 2022
with Report of Independent Auditors

HOME CARE FOR THE TWENTY FIRST CENTURY HOLDINGS, LLC

CONSOLIDATED FINANCIAL STATEMENTS

As of May 31, 2022

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Plano Office
5908 Headquarters Drive
Suite 300
Plano, Texas 75024
469.776.3610 Main

whitleypenn.com

REPORT OF INDEPENDENT AUDITORS

To the Members of
Home Care for the Twenty First Century Holdings, LLC

Opinion

We have audited the consolidated financial statements of Home Care for the Twenty First Century Holdings, LLC and subsidiary (the "Company"), which comprises the consolidated balance sheet as of May 31, 2022, 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 May 31, 2022, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, 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 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 for one year after the date that the consolidated financial statements are issued.

Auditor's Responsibilities for the Audit of the 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.

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.

Whitley Penn LLP

Plano, Texas
July 15, 2022

HOME CARE FOR THE TWENTY FIRST CENTURY HOLDINGS, LLC

CONSOLIDATED BALANCE SHEET

May 31, 2022

Assets	
Current assets:	
Cash and cash equivalents	$ 1,028,190
Accounts receivable	40,856
Due from related party	32,429
Deferred commission costs, current	5,193
Prepaid expenses and other current assets	1,299
Total current assets	1,107,967
Property and equipment, net	9,409
Deferred commission costs, net of current portion	42,118
Goodwill	2,585,489
Total assets	$ 3,744,983
Liabilities and Members' Equity	
Current liabilities:	
Accounts payable and accrued expenses	$ 53,319
Deferred revenue, current portion	462,900
Total current liabilities	516,219
Long-term liabilities:	
Deferred revenue, net of current portion	486,442
Total liabilities	1,002,661
Commitments and contingencies	
Members' equity	2,742,322
Total liabilities and members' equity	$ 3,744,983

See accompanying notes to consolidated financial statements.

HOME CARE FOR THE TWENTY FIRST CENTURY HOLDINGS, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2022

A. Nature of Business

Description of Business

Home Care for the Twenty First Century Holdings, LLC (the "Company"), is a Delaware limited liability company that was established on May 23, 2022, to acquire the outstanding membership interests of Home Care for the 21st Century, LLC ("21st Century"). See Note C for further discussion of the acquisition of 21st Century.

The Company, through its wholly owned subsidiary 21st Century, operates primarily as a home care franchisor. The Company's operations are concentrated in Florida with corporate headquarters located in Bradenton, Florida. The mission of the Company is to assist home care, home health care, and hospice franchisees with the licensing, credentialing, and accreditation processes.

As of May 31, 2022, the Company had twenty-six franchised locations.

B. Significant Accounting Policies

Basis of Accounting

The accounts are maintained, and the consolidated financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. Estimates are used for the following, among others: revenue recognition, valuation of acquired assets, and useful lives for depreciation of long-lived assets. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company maintains deposits in one financial institution, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation ("FDIC"). The Company has not experienced any losses related to amounts in excess of FDIC limits.

B. Significant Accounting Policies – continued

Accounts Receivable

Accounts receivable are stated at amounts management expects to collect from outstanding balances. Credit is extended to customers based upon an evaluation of the customer's financial condition, and collateral is not required. The Company monitors the financial condition of its franchisees and records provisions for estimated losses on receivables when it is believes that the franchisees are unable to make their required payments. While management uses the best information available in making its determinations, the ultimate recovery of recorded receivables is also dependent upon future economic events and other conditions that may be beyond the Company's control. There was no allowance for doubtful accounts at May 31, 2022.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining lives of the respective leases or the service lives of the improvements. Maintenance and repair costs are expensed in the period incurred. Expenditures for purchases and improvements that extend the useful lives of property and equipment are capitalized.

Goodwill

The Company follows Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2014-02, *Accounting for Goodwill, a consensus of the Private Company Council*, which allows for an accounting alternative for the subsequent measure of goodwill. Under this guidance, goodwill is amortized over ten years or less than ten years if the entity demonstrates that another useful life is more appropriate. Goodwill must still be tested for impairment; however, this test is only applicable when management identifies a triggering event based on the facts and circumstances at period end. All goodwill was assigned a ten-year life.

The Company also follows ASU 2014-08 - *Accounting for Identifiable Intangible Assets in a Business Combination, a consensus of the Private Company Council*, which allows for an accounting alternative to not recognize certain customer-related intangibles and noncompetition agreements as separately identifiable intangible assets.

Impairment of Long-lived Assets

The Company assesses potential impairment of its long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company's overall business, and significant industry or economic trends.

B. Significant Accounting Policies – continued

Impairment of Long-lived Assets – continued

When the Company determines that the carrying value of the long-lived assets may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate. If the carrying value is not recoverable, an impairment is recognized in the amount by which the carrying amount exceeds the fair value of the asset.

Revenue Recognition

The Company generates revenues and earns fees from home care, home health and hospice franchises. The Company provides the use of trademarks, system, training, pre-opening assistance, and facility operating assistance in exchange for an initial franchise fee and an ongoing royalty fee based on a franchised location's sales.

The franchise agreements require the franchisee to pay an initial, non-refundable fee prior to opening the respective location and continuing royalty fees based upon a percentage of the franchisee's gross sales. The initial term of franchise agreements are typically ten years. Under the terms of the franchise agreements, the Company promises to provide pre-opening services and ongoing services. The Company considers certain pre-opening activities and the franchise rights and related ongoing services to represent two separate performance obligations. A portion of the initial franchise fee is allocated to business start-up services, site location, hiring and training employees, providing operating manuals, marketing services, and conducting an initial training program. The Company has estimated the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin and assigns the remaining amount of the initial franchise fee to the franchise rights and ongoing services. Revenue allocated to preopening activities is recognized when, or as, these services are performed. Revenue allocated to franchise rights and ongoing services is deferred until the franchisee commences operations and is recognized on a straight-line basis over the duration of the agreement, as this ensures that revenue recognition aligns with the customer's access to the franchise right.

Royalty fee revenue is computed as a percentage of franchisee gross revenues and is recognized as income when earned. Advertising fund revenue is contributed by franchisees based on a percentage of franchise gross revenues and is recognized as earned. Computer system fee revenue and other revenues are recognized when the products have been shipped or services provided.

Contract assets consist of deferred costs resulting from commission amounts incurred when the franchise rights are sold to franchisees. The Company classifies the contract costs as deferred commission costs in the consolidated balance sheet. Contract assets were $47,311 at May 31, 2022.

B. Significant Accounting Policies – continued

Revenue Recognition – continued

Contract liabilities consist of deferred revenue resulting from initial franchise fees paid by franchisees, which have remaining unfulfilled performance obligations. As of May 31, 2022, the Company has entered into twenty-six franchise agreements with initial franchise fees totaling $1,534,500. Contract liabilities from unfulfilled performance obligations were $949,342 at May 31, 2022, which is included in deferred revenue on the accompanying consolidated balance sheet.

Advertising Costs

All costs associated with advertising and marketing are expensed in the period incurred.

Personnel Costs

Personnel costs include all salaries, wages, commissions, contract labor costs, and bonuses paid to employees and contract laborers. Personnel costs also include various payroll taxes.

Income Taxes

The Company is a pass-through entity for U.S. tax purposes. Under the existing provisions of the Internal Revenue Code, a pass-through entity is exempt from U.S. federal income tax other than tax on certain capital gains and passive income. The income or loss of a pass-through entity is passed through to the owners who include their share of the Company's separately stated items of income, deduction, loss, and credit and their share of non-separately stated income or loss. Accordingly, no provision for U.S. federal income tax has been provided for the accompanying consolidated financial statements since the owners report their share of the Company's taxable income or loss in their income tax return. Provisions for state taxes are based on the gross profit margin of the Company.

Tax positions are evaluated in a two-step process. The Company first determines whether it is more likely than not that a tax position will be sustained upon examination. If a tax position meets the more likely than not threshold, it is then measured to determine the amount of expense to record in the consolidated financial statements. The tax position is measured as the largest amount of expense that is greater than 50 percent likely to be realized upon settlement. The Company classifies any potential accrued interest recognized on an underpayment of income taxes as interest expense and classifies any statutory penalties recognized on a tax position taken as operating expense. Management of the Company has not taken a tax position that, if challenged, would be expected to have a material effect on the consolidated financial statements at May 31, 2022.

Under the centralized partnership audit rules effective for tax years beginning after 2017, the Internal Revenue Service ("IRS") assesses and collects underpayments of tax from the Company instead of from each member. The Company may be able to pass the adjustments through to its members by making a push-out election or, if eligible, by electing out of the centralized partnership audit rules.

B. Significant Accounting Policies – continued

Income Taxes – continued

The collection of tax from the Company is only an administrative convenience for the IRS to collect any underpayment of income taxes including interest and penalties. Income taxes on Company income, regardless of who pays the tax or when the tax is paid, is attributed to the members. Any payment made by the Company as a result of an IRS examination will be treated as a distribution from the Company to the members in the consolidated financial statements.

Adoption of New Accounting Standards

The Company adopted ASU No. 2021-08, *Accounting for Contract Assets and Contract Liabilities from Contracts with Customers,* which removes the obligation under previous guidance to recognize and remeasure contract assets and contract liabilities with customers acquired in a business combination. This generally allows for companies to recognize contract assets and contract liabilities at amounts consistent with those recorded by the acquiree immediately before the acquisition date.

The adoption of the standard did not have a material impact on the amounts reported in the consolidated financial statements.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), as amended by multiple updates to the standard. This update requires lessees to recognize a lease liability and a lease asset for all leases, including operating leases, with a term greater than 12 months on its balance sheet and requires lessors to classify leases as a sales-type, direct financing, or operating lease. The update also expands the required quantitative and qualitative disclosures surrounding leases. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*. ASU 2020-05 defers the effective date of Accounting Standards Codification 842 for private companies and private not-for-profit entities for one year. The updated guidance is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2016-02 on its consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13 *Financial Instruments – Credit Losses (Topic 326); Measurement of Credit Losses on Financial Instruments*, and subsequent amendments to the initial guidance, ASU 2019-10. This accounting standard changes the methodology for measuring credit losses on financial instruments, including trade accounts receivable, and the timing of when such losses are recorded. ASU No. 2016-13 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2022. The Company is currently evaluating the impact of adopting ASU No. 2016-13 on its consolidated financial statements.

Management reviewed all other significant newly-issued accounting pronouncements and concluded that they either are not applicable to the operations or that no material effect is expected on the financial statements as a result of future adoptions.

C. Business Combinations

On May 31, 2022, the Company purchased all of the membership interests of 21st Century. The assets acquired and liabilities assumed were recorded at fair value. Transaction expenses related to the acquisition were $122,678. Goodwill recorded as part of the acquisition is largely the result of the expected long-term revenue growth. Goodwill generated from the transaction is deductible for federal income tax purposes.

The following table summarizes the consideration paid and the amount of the assets acquired, and liabilities assumed recognized at the acquisition date:

Consideration	
Cash paid at closing	$ 463,802
Units issued to seller	2,250,000
	$ 2,713,802
Recognized amounts of identifiable net assets	
Acquired cash	$ 999,670
Accounts receivable	40,856
Prepaid expense and other current assets	33,728
Property and equipment	9,409
Contract assets	47,311
Accounts payable and accrued liabilities	(53,319)
Deferred revenue	(949,342)
Total identifiable assets	128,313
Goodwill	2,585,489
	$ 2,713,802

The acquisition consideration also contained contingent consideration based on attaining certain operation targets. At the date of acquisition, the Company did not record any fair value related to the contingent consideration due to management's analysis of the probability of attaining the operational targets as defined in the acquisition agreement.

D. Property and Equipment

The principal asset classifications, at cost, are as follows at May 31, 2022:

Leasehold improvements	$ 9,409
Less Accumulated depreciation	-
Property and equipment, net	$ 9,409

E. Goodwill

Definite lived intangible assets consist of the following at May 31, 2022:

Goodwill	$ 2,585,489

Based on the current carrying amount of goodwill subject to amortization, the estimated amortization expense for each of the succeeding five years and thereafter is as follows:

2022	$ 150,820
2023	258,549
2024	258,549
2025	258,549
2026	258,549
Thereafter	1,400,473
	$ 2,585,489

F. Members' Capital

Preferred, Common, and Incentive Units

There are six types of units the Company is authorized to issue including: Class A Preferred Units ("Class A Preferred"), Class B Preferred Units ("Class B Preferred"), Class C Preferred Units ("Class C Preferred"), Class A Common Units ("Class A"), Class B Common Units ("Class B"), and Incentive Units ("Incentive Units"). The Company is authorized to issue an unlimited amount of units. The Class B Preferred and Class C Preferred units are convertible into Class A units on a one-to-one basis at the option of the unitholder at any time. At May 31, 2022, there are 2,000,000 Class A Preferred, 615,000 Class B Preferred, 250,000 Class C Preferred, and 135,000 Class B units issued.

Class B units are designed as a profits interest, and the Class B unit holders are entitled to an increased share of the distributable cash flow generated by the Company in the event that certain performance hurdles are met.

Preferred Unit Dividends

The holders of Class B Preferred Units, in preference to holders of all other unitholders, are entitled to receive a preferred yield on each Preferred Class B Unit at the rate of eight percent (8%) per annum, accrued daily, on the unreturned capital. Any unpaid preferred yield is accreted on the unreturned capital allocated to the Class B Preferred Units.

F. Members' Capital – continued

Liquidation

In the event of a liquidation, before any distribution of payment is made to the holders of any common, preferred, or incentive units, the holders of Class A Preferred are entitled to be paid out of the assets of the Company legally available for distribution, or the consideration received in such transaction, an amount equal to the unreturned capital with respect to each outstanding Class A Preferred, provided, however, that if the liquidity event occurs subsequent to the fourth anniversary of the acquisition of 21st Century, the unreturned capital will be multiplied by 1.25.

Second, the holders of Class B Preferred are entitled to any remaining assets to be distributed, up and until the unpaid Class B Preferred yield with respect to each outstanding Class B Preferred. Third, the holders of the Class B Preferred and Class C Preferred pro rata in proportion to the number of Class B Preferred and Class C Preferred held by the holders an amount equal to the greater of the unreturned capital with respect to each outstanding Class B Preferred or Class C Preferred, or such amount as would have been payable had all Class B Preferred and Class C Preferred been converted into common units immediately prior to the liquidity event. Fourth, the remaining assets and proceeds of the Company to the holders of the Class A and Class B and vested Incentive Units pro rata in proportion to the number of Class A, Class, and Incentive Units held by each holder; provided that no Incentive Unit shall receive any such distributions until the aggregate amount distributed equals the Incentive Unit threshold as defined in the Company's LLC agreement and such Incentive Unit shall only be entitled to incremental distributions above such amount.

Incentive Units

The Company has initially authorized 111,000 Incentive Units that can be issued to employees, management, and consultants of the Company. The Incentive Units will vest subject to the terms and conditions in the Incentive Unit Grant Agreements. There were no Incentive Units granted at May 31, 2022. The Incentive Units are not considered as part of the Members' Capital of the Company as the holders have no equity rights. The Incentive Unit holders may share in distributions to Common Unit holders to the extent any occur per the terms of the Company's LLC agreement. The unvested portion of the Incentive Units will vest contingent on the occurrence of a liquidity event for the Company.

G. Commitments and Contingencies

Leases

The Company has an operating lease for office space with a related party that expires in December of 2026. Future minimum payments under the non-cancelable operating leases consisted of the following at May 31, 2022:

2022	$ 38,500
2023	69,850
2024	76,835
2025	84,520
2026	92,970
Total	$ 362,675

When the Company enters into an operating lease that contains a period where there are free or reduced rents, or rent increases throughout the lease term, then the Company recognizes rent expense on a straight-line basis over the term of the lease.

H. Related Party Transactions

The Company enters into transactions with a related party through common ownership. These transactions consist mainly of expenses paid on behalf of the related party. Amounts due from the related party were $32,429 at May 31, 2022.

The Company pays consulting fees to a related party through common ownership for work done on behalf of franchisees. Starting June 1, 2022, the Company will pay $100,000 annually for these consulting services.

I. Subsequent Events

The Company has evaluated subsequent events through July 15, 2022, the date the consolidated financial statements were available to be issued.

EXHIBIT E

POLICIES AND PROCEDURES MANUAL TABLE OF CONTENTS

EXHIBIT F

CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of December 31, 2021) and the address and telephone number of each of their outlets:

North Tucson, AZ
Owner: Richard Benner, Christa Benner
Address: 7540 North La Cholla Boulevard, Suite C, Tucson, AZ 85741
Phone Number: 520-402-6001

Redding, CA
Owner: Darlene Cummings, Mark Schneider
Address: 448 Redcliff Drive, Suite 215, Redding CA 96002
Phone Number: 530-768-1401

Jacksonville, FL
Owner: Marlena Ellis
Address: 6815 Atlantic Boulevard, Suite 3, Jacksonville, FL 32211
Phone Number: 904-438-5837

Albuquerque, NM
Owner: Gary Sanchez
Address: 1776 Montano Road, NW Building 3, Suite 19, Los Ranchos, NM 87107
Phone Number: 505-226-8202

East Montgomery, PA
Owner: Timothy Hunter
Address: 610 Old York Road, Suite 400, Jenkintown, PA 19046
Phone Number: 267-971-2974

Allen, TX
Owner: Tou Kun Wong
Address: 850 Central Parkway East, #250, Plano, TX 75074
Phone Number: 682-307-0116

Central San Antonio, TX
Owner: Shiyar Poyraz
Address: 4203 Woodcock Drive, Suite 206, San Antonio, TX 78228
Phone Number: 210-457-9039

South Houston, TX
Owner: Richard Tate
Address: 77 Sugar Creek Center Boulevard, Suite 600, Sugarland, TX 77478
Phone Number: 281-888-0380

Franchisees who had signed franchise agreements but were not yet open as of December 31, 2021:

Aurora, CO
Owners: Tewoldebirhan Keresemo, Meseret Kidane, Kedamawit Biru, Shewangzaw Chala, Worku Fainet, Mesfin Geda
Address: 11275 East Mississippi Avenue, Suite 1N2, Aurora, CO 80012
Phone Number: 720-951-6865

Hollywood, FL
Owners: Jorge Milan, Cindy Guzman, Karim Milan, Anthony Guzman
Address: 17034 SW 34th Street, Miramar, FL 33027
Phone Number: 305-342-9320

East Orlando, FL
Owner: Mukesh Patel
Address: 12001 Research Parkway, Suite 236, Orlando, FL 32826
Phone Number: 407-698-5361

North Hillsborough, FL
Owners: Sam Siebu, Rodney Richards
Address: 8905 Regents Park Drive, Suite 230, #4, Tampa, FL 33647
Phone Number: 813-461-8000

Lawrenceville, GA
Owner: Christine Francis
Address: 5435 Sugarloaf Parkway, Suite 1104, Lawrenceville, GA 30043
Phone Number: 470-365-0257

SE Reading, PA
Owner: Gavin Mata
Address: 20 North Front Street, Suite 14, Bally, PA 19503
Phone Number: 610-845-0806

West Houston, TX
Owner: Sojourner King, Mary Mitchell
Address: 11511 Katy Freeway, Suite 520, Houston, TX 77079
Phone Number: 832-431-0806

Hampton Roads, VA
Owner: Stacy Coward
Address: 3615 Victory Boulevard, Suite 106, Portsmouth, VA 23701
Phone Number: 757-399-0418

Former Franchisees

Name, city and state, and 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 the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

EXHIBIT G

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

The California Franchise Investment Law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document at least 14 days prior to execution of agreement.

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.

These franchises have been registered under the franchise investment law of the State of California. Such registration does not constitute approval, recommendation or endorsement by the commissioner of financial protection and innovation nor a finding by the commissioner that the information provided herein is true, complete and not misleading.

Before the franchisor can ask you to materially modify your existing franchise agreement, Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with that disclosure document with an explanation that the changes are voluntary.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

   Neither franchisor nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

2. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

   The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

   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.

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

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

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

The Franchise Agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

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.

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do 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 Home Care for the 21st Century business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

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 COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS 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 DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT 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.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: ____________________

2. A proposed registration or filing is or will be shortly on file in the following states: ______________________________

3. No states have refused, by order or otherwise to register these franchises.

4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

Sections 5 and 7 of the Disclosure Document are amended as follows:

"All initial franchise fees paid by you to us will be deferred until we have satisfied all of our pre-opening obligations to you and you have commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition."

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 17:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
>
> The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- 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.

- 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 non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- 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).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- 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.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

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.

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.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

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 SOURCES OF 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST., 21ST FLOOR, NEW YORK, NEW YORK 10005. 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 WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is added at the end of Item 3:

> Except as provided above, with regard 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, which are 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 10 year period 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 Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for 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; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

HOME CARE FOR THE 21ST CENTURY, LLC

July 15, 2022

READ THIS DISCLOSURE DOCUMENT CAREFULLY

The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.

The following disclosure document contains the disclosures required by Ohio law.

In the State of Ohio only, this Disclosure Document is further amended as follows:

The following is added to Item 19:

CAUTION

Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following risk factor is added

> 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.

The following statements are added to Item 17(h):

> Under 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 do 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.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit H for Washington Addendum to Disclosure Document
and Rider to Franchise Agreement)

EXHIBIT H

STATE ADDENDA TO FRANCHISE AGREEMENT

CALIFORNIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Franchisor's Compliance. Article 19 of the Agreement is deleted.

3. **Claims**. The limitation of Sections 17.2 and 17.4 of the Agreement with respect to the statute of limitations and punitive damages do not apply to any claims under California Franchise Investment Law.

4. Disclaimers. No disclaimer, questionnaire, clause or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

5. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: __________________________
Name: ________________________
Title: _________________________
Date: _________________________

By: __________________________
Name: ________________________
Title: _________________________

ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ____________________ ("Franchisee").

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), the Agreement is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.

Franchisee's rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

Section 4.1 of the Franchise Agreement is amended as follows:

"All initial franchise fees paid by Franchisee to Franchisor will be deferred until Franchisor has satisfied all of Franchisor's pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition."

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

By: ___________________________
Name: _________________________
Title: __________________________

INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Indiana Acts" means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

2. Certain Provisions Modified. Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
______________________________	HOME CARE FOR THE 21ST CENTURY, LLC
Name: ________________________	
Date: _________________________	By: __________________________
	Name: ________________________
	Title: _________________________
	Date: _________________________
	By: __________________________
	Name: ________________________
	Title: _________________________

MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Registration and Disclosure Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

2. Releases, Estoppels and Waivers of Liability. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. Renewal, Sale or Assignment/Transfer. Pursuant to COMAR 02.0.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Statute of Limitations. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. Jurisdiction. Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

By: ___________________________
Name: _________________________
Title: __________________________

MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. Amendments. The Agreement is amended to comply with the following:

- 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.

- 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 non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- 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).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- 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.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
______________________________	HOME CARE FOR THE 21ST CENTURY, LLC
Name: ________________________	
Date: _________________________	By: ___________________________
	Name: ________________________
	Title: _________________________
	Date: _________________________
	By: ___________________________
	Name: ________________________
	Title: _________________________

NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Waivers Not Required. Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Franchisor or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the "New York Franchise Law").

3 Waivers of New York Law Deleted. Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Franchisor with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.

4. Governing Law. Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.

5. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: __________________________
Name: ________________________
Title: _________________________
Date: _________________________

By: __________________________
Name: ________________________
Title: _________________________

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Amendments. The Agreement is amended to comply with the following:

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary & Punitive Damages: The parties do not waive exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: ___________________________
Name: ________________________
Title: _________________________
Date: _________________________

By: ___________________________
Name: ________________________
Title: _________________________

OHIO RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated __________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and ____________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "BOPA" means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

2. Applicability of BOPA. Franchisee acknowledges that Franchisor is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of Franchisor constitutes an intent that BOPA apply to the transaction between Franchisor and Franchisee or an admission by Franchisor that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, "disclosure requirements and prohibitions concerning franchising," 16 C.F.R. 436.1 et seq.

3. No Delivery of Goods or Services during Cancellation Period. Franchisor will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

4. Jurisdiction and Venue. In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

5. Cancellation. You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
______________________________	HOME CARE FOR THE 21ST CENTURY, LLC
Name: ________________________	
Date: _________________________	By: ___________________________
	Name: _________________________
	Title: __________________________
	Date: __________________________
	By: ___________________________
	Name: _________________________
	Title: __________________________

OHIO
NOTICE OF CANCELLATION

[*Insert Date Agreement Signed by FRANCHISEE*]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Home Care for the 21st Century, LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Franchisor at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Franchisor regarding the return shipment of the goods at Franchisor's expense and risk. If you do make the goods available to Franchisor and Franchisor does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Franchisor, or if you agree to return them to Franchisor and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Home Care for the 21st Century, LLC, at 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203, or send a fax to Franchisor at [*Insert facsimile number*] or an e-mail to Franchisor at lorim@homecareforthe21stcentury.com, not later than midnight of [*Insert date that is five business days after the date above*].

I hereby cancel this transaction.

FRANCHISEE:

____

By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated ________________________ (the "Agreement"), between Home Care for the 21st Century, LLC, a Delaware limited liability company ("Franchisor") and _________________________, a ________ ____________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Jurisdiction and Venue. Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISEE:

____
Name: ________________________
Date: _________________________

FRANCHISOR:

HOME CARE FOR THE 21ST CENTURY, LLC

By: __________________________
Name: ________________________
Title: _________________________
Date: _________________________

By: __________________________
Name: ________________________
Title: _________________________

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AGREEMENT AND RELATED AGREEMENTS

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

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

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

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

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

RISK FACTOR: The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

CERTIFICATION OF FRANCHISOR'S COMPLIANCE: Article 19 of the Franchise Agreement does not apply in Washington.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
______________________________	HOME CARE FOR THE 21ST CENTURY, LLC
Name: ________________________	
Date: _________________________	By: ___________________________
	Name: _________________________
	Title: __________________________
	Date: __________________________
	By: ___________________________
	Name: _________________________
	Title: __________________________

STATE EFFECTIVE DATES

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

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

State	**Effective Date**
California	*Pending*
Illinois	*Pending*
Michigan	*Pending*
Virginia	*Pending*

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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 Home Care for the 21st Century, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Home Care for the 21st Century, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone No.
Lori McCauley	3911 Golf Park Loop, Suite 104, Bradenton, FL 34203	941-723-1100

Issuance Date: July 15, 2022

I received a disclosure document dated July 15, 2022, that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement (with HIPAA Business Associate Agreement)
C. Form of General Release
D. Financial Statements (and Guarantee of Performance)
E. Policies and Procedures Manual Table of Contents
F. Current and Former Franchisees
G. State Addenda to Disclosure Document
H. State Addenda to Franchise Agreement

Signature: ____________________________
Print Name: __________________________
Date Received: ________________________

Keep This Copy For Your Records

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Signature: ___________________________
Print Name: _________________________
Date Received: _______________________

Return this copy to us.

Home Care for the 21st Century, LLC - 3911 Golf Park Loop, Suite 104, Bradenton, FL 34203