

FRANCHISE DISCLOSURE DOCUMENT

	DHH Group, Inc. A New Jersey Corporation 344 Grove Street, Suite 210 Jersey City, New Jersey 07302 Phone: 877-299-7502 / Fax: 212-202-4825 info@MyElder.com www.MyElder.com
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As a franchisee, you operate a My Elder® consulting firm that offers elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder advocacy using the needs assessment as a tool to support preventing elder housing evictions, elder placement services, elder care crisis management, elder care home care planning, elder care long term care planning, elder care monitoring, preventing elder abuse and neglect, and long distance caregiving. Franchisees are paid by the clients and therefore are not responsible for communication with insurance companies for remuneration.

The total investment necessary to begin operation of a My Elder® franchised business is \$72,250 to \$118,600. This includes from \$62,500 to \$70,000 that must be paid to the Franchisor or its affiliate(s).

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, Franchisor or an affiliate in connection with the proposed franchise sale.

Note, however, that no government agency has verified the information contained in this document.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Administration Department of DHH Group, Inc.; 344 Grove Street, Suite 210, Jersey City, New Jersey, 07302; 877-299-7502 or chalpern@MyElder.com.

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, DC, 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising. Call your state agency or visit your public library for other sources of information on franchising.

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

ISSUANCE DATE: April 9, 2020

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 E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only MyElder 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 MyElder franchisee?	Item 20 or Exhibit E 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 Addendum. See the Table of Contents for the location of the State Specific Addendum.

Special Risks to Consider About *This Franchise*

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

- 1) **Out-of-State Dispute Resolution.** The franchise agreement and multi-unit operator agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New Jersey. 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 New Jersey than in your own state.
- 2) **Financial Condition.** The franchisor's financial condition, as reflected in its most recent financial statements (see Item 21, Exhibit C), calls into question the franchisor's financial ability to provide services and support to you.
- 3) A franchisee's initial investment of \$71,250 to \$117,600 exceeds the franchisor's stockholder's equity of \$83,370 as of December 31, 2019. A prospective franchisee should take this factor into consideration when deciding whether to purchase a franchise.
- 4) You must make advertising and other payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
- 5) You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

Certain states may require other risks to be highlighted. If so, check the "Multi-State Addendum" (if any) to see whether your state requires other risks to be highlighted.

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

Franchisor:

In this franchise disclosure document, the Franchisor, DHH Group, Inc. is referred to as “Franchisor”, “we”, “us”, or “our”. We refer to the purchaser(s) of a MyElder franchise, as “you” or “Franchisee”, whether an individual, a partnership, corporation, or limited liability company. If you are a corporation, partnership or other entity, our Franchise Agreement also will apply to your owners, who will sign the franchise agreement as a “Principal”. If you are married and your spouse is not a partner in the franchise business, certain provisions of our Franchise Agreement will also apply to that spouse.

We are a corporation formed in the State of New Jersey on January 24, 2020. Our principal business address is 344 Grove Street, Suite 210, Jersey City, New Jersey, 07302; and our telephone number is 877-299-7502. We operate under our corporate name, DHH Group, Inc., and the My Elder® and The MEA Method® trademarks described in Item 13 (collectively, the “Marks”). We have not offered franchises in any other line of business. We only offer franchises which operate under the “MyElder” Marks. We began offering franchises on April 9, 2020, the Issuance Date of this Disclosure Document.

Our agents for service of process are listed in Exhibit A.

Our Parent, Predecessors and Affiliates:

We have no parent company.

Our predecessor is DHH Group, Inc., a New York corporation formed on February 4, 2014, with a principal address of 10 Bond Street, #446, Great Neck, New York, 11021-2409. Our predecessor sold My Elder franchises from 2014 through 2019. We purchased all assets of our predecessor, including all existing franchise agreements, in January 2020. Our predecessor no longer offers My Elder franchises and does not offer franchises in any other line of business.

We have an affiliate company, My Elder Advocate LLC, a New York limited liability company, formed on February 19, 2008, with a principal address of 511 Avenue of Americas, #241G, New York, New York, 10011. My Elder Advocate, LLC, is the owner of the certain of our Marks and has exclusively licensed use of the Marks to us. My Elder Advocate, LLC has not offered franchises in this or in any other lines of business previously.

We operate, through our affiliate, three MyElder businesses similar to the business offered by this disclosure document. Our affiliate has operated one MyElder business in New York, New York, since February 2008, and has operated two MyElder businesses in Westchester County, New York, since 2019. We may operate other MyElder concepts, including additional MyElder businesses, or other senior care consulting concepts in the future.

The Franchise Offered:

We grant franchises for a business (the “Franchised Business”) operating under the trademark My Elder® and other Marks. The Franchised Business offers comprehensive elder care advisory services to the elderly and their families that include, but are not limited to, elder advocacy using needs assessments as a tool to support preventing elder housing evictions, elder placement services, elder care crisis management, elder care homecare planning, elder care long-term care planning, elder care monitoring, preventing elder abuse and neglect, long-distance caregiving and long-term care insurance.

Franchisees are paid by the clients and therefore are not responsible for communication with insurance companies for remuneration.

We offer the right to establish and operate the Franchised Business within a defined territory (the “Territory”). Our current form of Franchise Agreement is attached as Exhibit B to this Disclosure Document.

You will sell elder care advisory services according to specified procedures. If you acquire a franchise, you must operate your Franchised Business according to our business formats, methods, procedures, designs, layouts, standards, and specifications, as detailed in our operations manual.

We and our affiliate will provide the following services to you: utilization of elder care advisory services; elder care advisory vendor lists; printed material; a patent-pending process flow service entitled The MEA Method®; access to designers and marketing professionals for advertisements; a 24/7 hotline for questions, referral services, website and webpages; availability of products and vendors; marketing; training; supervision; and use of the trademarks.

Market and Competition:

Your Franchised Business will offer elder care advisory services to families of the elderly throughout the year and compete with other elder care advisory businesses, which may be franchised by other companies, or independent operations. The market for your type of service and products generally is developed and very competitive. The elder care advisory business may also be affected by demographics and economic conditions.

Industry Specific Regulations:

You are required by law and us to have and remain current on criminal background investigations for each manager, employee and independent contractor. We require that all management personnel who interact with clients must be trained.

You must comply with all local, state and federal laws and regulations that apply to the operation of your Franchised Business, including, among others, business operations, insurance, discrimination, and employment laws. The Franchised Business is also subject to the federal Health Insurance Portability and Accountability Act (HIPAA), which sets standards for privacy of individuals’ health information. Your advertising of the Franchised Business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Franchised Business in addition to those listed here.

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect on your business and the cost of compliance. You are responsible for obtaining all licenses and permits which may be required for your business.

Item 2 **BUSINESS EXPERIENCE**

Chairman: Jack Halpern

Jack Halpern has been our Chairman since our formation in January 2020. Jack founded our predecessor, DHH Group, Inc., in Great Neck, New York, in February 2014, where he served as CEO and

Lead Corporate Trainer until 2018. Jack founded our affiliate My Elder Advocate, LLC, in February 2008 in New York, New York, and has served as CEO since inception.

Chief Executive Officer: Claudine Halpern

Claudine Halpern has been our Chief Executive Officer since our formation in January 2020. Claudine also served as Chief Operating Officer and Lead Corporate Trainer of our predecessor, DHH Group, Inc., in Great Neck, New York, from February 2014 until 2018. Claudine has served as Chief Operating Officer of our affiliate My Elder Advocate, LLC, in New York, New York, since its founding in February 2008.

Item 3
LITIGATION

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

Item 4
BANKRUPTCY

In Re: Jack Halpern and Claudine Y. Halpern (U.S. Bankruptcy Court for the Southern District of New York, Case No. 10-14052-bri, filed July 27, 2010. Jack Halpern and Claudine Y. Halpern are officers of the Franchisor. They filed as individual debtors under Chapter 7 of the U.S. Bankruptcy Code. Mr. and Mrs. Halpern obtained a Discharge of Debtor and Order of Final Decree releasing them for all dischargeable debts on May 9, 2011.

Other than this one proceeding, no other bankruptcy information is required to be disclosed in this Item.

Item 5
INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee (the “Initial Franchise Fee”) in a lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is \$59,500 for one My Elder® Franchised Business.

The Initial Franchise Fee is fully earned when paid and is not refundable under any circumstances, except if we determine that you or your Principal cannot complete the initial training program to our satisfaction, we may terminate the Franchise Agreement, and we will keep two-thirds of the Initial Franchise Fee and return the other one-third to you. You must sign our required form of release of claims. Also, if you are unable to get the necessary business permits or licenses through no fault of your own, within 60 days, either one of us can terminate the Franchise Agreement, and we will keep two-thirds of the Initial Franchise Fee and return the other one-third to you. You must sign our required form of release of claims.

From time to time we may offer special incentive programs as part of our franchise development activities. We have the right to offer, modify or withdraw any incentive program without notice to you. We currently offer an incentive program where we will charge a discounted Initial Franchise Fee of \$99,500 for the purchase of two franchises if you sign two franchise agreements at the same time. We will charge

a discounted Initial Franchise Fee of \$125,500 for the purchase of three franchises if you sign three franchise agreements at the same time.

Opening Launch Marketing & Advertising

You must purchase from us a marketing packet which contains two sets of 1,000 branded business cards, branded letterhead, art ready to personalize, branded brochure art and contents ready to personalize, and blog content to personalize. The cost of this packet is \$2,500, which is payable to us at the time you sign the Franchise Agreement and is non-refundable.

Webpage and Database Set-Up

We provide you with a webpage and the initial set-up of your database during the initial training program. You must pay us or our affiliate a \$500 non-refundable fee for these items at least ten days before you begin training.

Training Attendance Fee

If you want more than two individuals to attend the initial training program, you must pay us a training attendance fee of \$2,500 per additional attendee. Training fees, if applicable, are payable before the initial training begins, and are uniform and non-refundable.

Except for the limited circumstance described in this Item 5, all initial fees are uniform and are fully earned when paid and are not refundable under any circumstances.

Item 6 **OTHER FEES**

Column 1 Type of Fee ¹	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee ²	8% of Gross Income	Monthly, by the 10 th day of each month, based on income from the previous month	"Gross Income" means all of your revenue from operating the Franchised Business, but excluding taxes collected from customers and paid to any taxing authority, and reduced by the amount of any documented refunds, credits, allowances, and charge-backs given in good faith to customers.
Electronic Payment Services Account ³	\$20 per month minimum, plus percentage or fee for each transaction processed	As Agreed with Third Party Source.	You must use an approved electronic payment services account from a designated vendor as detailed in the operation manual. Account access permission must be granted. Processing costs will vary by the number of transactions processed and other variables.

Software Licensing & Technology	\$250 per month	Monthly, by the 10 th day of each month, based on income from the previous month	Payable to us. The fee is for a MyElder software license, support, Active Web login, Automated Needs Assessment, management of a microsite and up to two MyElder email addresses (\$50 per each additional address). This fee may increase yearly up to a maximum of 10% per year.
Marketing Fund	Up to 2% of monthly Gross Income	Monthly, as incurred, by the 25 th day of each month, based on Gross Income of the previous month ^{4, 9}	Payable to us if we establish a Marketing Fund. See Item 11 for a detailed discussion about this Fund.
Local Advertising	\$1,000 or 4% of monthly Gross Income, whichever is greater	Monthly as agreed with third party suppliers	You must spend this amount on local advertising. A report must be submitted to us by the 25th day of the month, based on the Gross Income of the previous month.
Additional Training or Assistance for Management Personnel at corporate or an affiliate's location	\$500 for each Management Personnel per day, with a three-day minimum, plus travel, meal and lodging expenses for training at our location	Before training or assistance begins.	We may charge you for training newly hired management personnel; for refresher training courses; and for additional or special assistance or training you need or request. For all training sessions and conferences, you must pay for your trainees' and representatives' salaries and benefits, and for their travel, meal and lodging expenses.
Non-management training	Cost will vary based upon position and/or actual training involved.	Before training, or assistance begins, and is non-refundable.	We may charge you for training Administrative (non-customer interactive) Personnel; for refresher training courses; and for additional or special assistance or training you need or request at your location. These personnel may be trained virtually. This includes, but is not limited to, bookkeepers, call center staff, and other administrative personnel.

Additional Training or Assistance at your location	At our option, should it be necessary, based on availability, \$1,000 per trainer per day, with a 2-day minimum, plus travel, meal and lodging expenses for training at your location	One week before training or assistance begins and is non-refundable.	We may charge you for training newly hired Management Personnel; for refresher training courses; and for additional or special assistance or training you need or request at your location. You must have access to a conference room area for this training.
Transfer Fee	35% of our then-current initial franchise fee	Before transfer completed	No charge if Franchise Agreement is transferred to an entity you control.
Renewal Fee	25% of our then-current initial franchise fee.	Before renewal completed	If you are in full compliance to all terms and conditions you may acquire two successor franchise terms of 10 years each.
Services and Products Purchases	The price of the services and products that you must purchase and utilize.	As Incurred	You must buy certain services and products from us, our affiliates, and designated or approved vendors and/or advisors whose items meet our standards and specifications, which are detailed in our operations manual. We may also permit you to buy from other suppliers to the industry upon review and approval.
Testing New Services or Products	Actual Cost of Testing	Upon your receipt of our invoice.	This covers the costs of testing new services or products or inspecting new suppliers you propose.
Computer Systems, Maintenance, and Support	Cost of Service	As Incurred	We or a third party may charge you a fee for any proprietary software or technology that we, our affiliates or an approved third party have provided by license to you and for other maintenance and support services that we or an approved third party might provide in the future.
Website User and Maintenance Fee	\$75 monthly fee may increase annually)	As Agreed	Payable to Us

QuickBooks Essentials Online	Minimum of \$30 per month	As Agreed	You must subscribe to a bookkeeping system from a designated vendor whose services meet our standards and specifications.
Virtual Data and File Backup Cloud Storage Service	\$10 per month	As Agreed	You must subscribe to a virtual data and file backup cloud storage service from a designated vendor whose services meet our standards and specifications, as detailed in the operations manual. Franchisor will have update access to this cloud storage.
Online Fax Service	\$16 per month	As Agreed	You must utilize and online fax service from an approved vendor whose services meet our standards and specifications, as detailed in the operations manual.
Payroll Service	Minimum of \$150 per month	As Agreed with Third Party Source	You must subscribe to a professional payroll service from an approved vendor whose services meet our standards and specifications, as detailed in the operations manual. Costs will vary depending on number of staff and optional services.
Answering Service	Minimum of \$60 per month	As Agreed	You must use an Answering Service from an approved vendor.
VoIP or Landline Phone Service	Minimum of \$25 per month	As Agreed	You must utilize a business dedicated Voice over Internet Protocol (VoIP) service provider or a business dedicated landline phone service provider from approved vendor whose services meet our standards and specifications, as detailed in the operations manual.

Smart Phone Monthly Service	Minimum of \$150 per month	As Agreed with Third Party Source	You must subscribe to a mobile phone service from a designated vendor or approved vendor whose services meet our standards and specifications, as detailed in our operations manual. Costs will vary by provider, the number of smart phones owned and other variables.
Criminal and Credit Background Checks of Management, Employees and Independent Contractors	\$140 per manager, employee, and independent contractor per year	As Incurred	You are required by law and us to have and remain current on criminal background investigations, per manager, employee and independent contractor.
Audit	Actual Cost of audit	Upon your receipt of our invoice	Payable to us if you do not provide us with reports, supporting records or other required information, on a timely basis, or if you understate required Royalty payments and/or Fund contributions by more than 5%.
Maintenance and Refurbishing of Business	Our actual costs	Upon your receipt of our invoice	If, after we notify you, you do not undertake efforts to correct deficiencies in appearance of the Franchised Business, then we can undertake the repairs and you must reimburse us.
Insurance	Our actual costs	Upon your receipt of our invoice	If you fail to obtain insurance, as specified, we may obtain insurance for you and you must reimburse us.
Local, State and/or Regional Membership Costs for Professional Organizations	Cost of Annual Membership	Upon Joining and Annual Renewal (as required)	It is required of you to join a networking industry organization. The cost for membership varies by location. Check with the Secretary/Treasurer of the organization for your location cost.
Networking Costs	Cost per networking event will vary by area	As Agreed with Third Party Source	Per Franchised Business, you must attend networking events as follows: four times a week for the first six months of operation; two times a week for months seven to 18; and beginning month 19 at our discretion only (upon review) We will determine the frequency of networking events. This requirement is detailed in the operations manual.

Fee for Failure to Keep Manual at Place of Business	\$5,000 per incident	Upon your receipt of our invoice	Payable to us if you fail to keep the operations manual at your place of business.
Late Penalty ⁵	\$100 per incident plus 1½% interest per month, or maximum allowed by law	Upon your receipt of our invoice	Payable to us on any overdue or past due amounts of any fees or charges.
Insufficient Funds	\$75 or as permitted by local law	15 days upon your receipt of our invoice	Payable to us if you have insufficient funds in your EDTA to cover a payment, or if you pay by check and a check is returned for insufficient funds or a closed account.
Management Fee	At our option should it be necessary, based on availability, the cost is \$2,000 per person per day, plus commissions received, plus our travel, meal and lodging expenses	Upon your receipt of our invoice	Payable to us if we (or a third party) are required to manage your Business upon your death, mental or physical incapacity (if you are a natural person) or upon the death, mental or physical incapacity of any Principal, or after your or your Principals' default or abandonment of your clients.
Cost and Attorneys' Fees	Our actual costs	Upon your receipt of our invoice	Payable to us if you do not comply with the Franchise Agreement.
Indemnification	Our actual costs and/or liability	Upon your receipt of our invoice	You must reimburse us if we are held liable for claims arising from the operation of your Franchised Business.

Explanatory Notes:

1. Except for product and service purchases described in Item 8, and except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us. All fees are non-refundable and are uniformly imposed. Regardless of what day of the month you open the Franchised Business, the last day of the month will signify the end of the first month, subsequent months will begin on the first day of each month and end on the last day of each month.
2. All Royalties are to be paid monthly, by the 10th day of each month, based on income from the previous month. Before your Franchised Business opens, you must sign and deliver to us an "Electronic Depository Transfer Account Document" or "EDTA" (Attachment 5 to the Franchise Agreement), which authorizes us to debit your business checking account automatically for the Royalty payments, Fund contributions, and other amounts due under the Franchise Agreement. We will debit the EDTA for these amounts on their due dates. Funds must be available in the EDTA for

withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.

If you do not report Gross Income, we may debit your EDTA for 120% of the last Royalty payment and Fund contribution that we debited. If the amounts we debit are less than the amounts you actually owe us, we will debit your EDTA for the balance on the day we specify. If the amounts we debit are greater than the amounts you actually owe us, we will credit the excess against the amounts that we otherwise would debit from your EDTA during the following week.

3. The Electronic Payment Services Account is the merchant account that you must set up for all My Elder® revenue.
4. The My Elder® businesses that contribute to a Regional Advertising Program will include any My Elder® businesses operated in the Advertising Coverage Area by us, our Affiliate, or other affiliates. Each My Elder® Business, whether owned by us, our affiliates or franchisees, operating in the Advertising Coverage Area and contributing to the program will have one vote in program matters.
5. Late Penalty – If you fail to pay any sums payable to us or our Affiliate (if applicable), when due, you must pay us a late fee of \$100 per incident plus 1½% interest per month on the unpaid balance, or the maximum permitted by law, whichever is higher.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment Is To Be Made
Initial Franchise Fee ¹	\$59,500	Lump Sum	On signing Franchise Agreement	Us
Real Estate ²	Not Included	Not Included	Not Included	Not Included
Rental of Office ² (first three months)	\$0 - \$3,000	As Agreed	Monthly	Landlord
Lease Security Deposit ³	\$0 - \$1,500	Lump Sum	Generally, a one or two-month security deposit is payable upon your execution of the lease	Landlord
Leasehold Improvements ⁴	\$0 - \$1,000	As Agreed	As Incurred (prior to opening)	Third Party Vendors

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment Is To Be Made
Architectural Plans ⁵	\$0 - \$1,000	As Agreed	As Incurred (prior to opening)	Architect
Business Licenses and Permits ⁶	\$250 - \$750	Lump Sum	As Incurred (prior to opening)	Outside Governing Agency or Agencies. Rates will vary by state and municipality.
Computer System	\$1,900 - \$4,200	As Agreed	As Incurred (prior to opening)	Third Party Vendors
Webpage and Initial Setup of Database ⁷	\$500	As Agreed	As Incurred (prior to opening)	Us/Affiliate
Office Furniture, Fixtures, Signage, and Business Equipment ⁸	\$500 - \$4,500	As Incurred	As Incurred (prior to opening)	Outside Suppliers
Office Products ⁹ (first three months)	\$100 - \$500	As Incurred	As Incurred (prior to opening)	Outside Suppliers
Opening Launch, Marketing and Advertising/Marketing Package ¹⁰	\$3,500	As Agreed	First Three Months	Outside Suppliers, Us
Training Attendance Fees (for initial training of additional people) ¹¹	\$0-7,500	As Agreed	Prior to training	Us
Training Expenses (out-of- pocket costs per person, including travel, meals and lodging, etc.)	\$500 - \$4,200	As Agreed	As Incurred	Third Party Vendors
(Optional) Commercial Automobile Insurance ¹² (first three months)	\$0 - \$950	As Incurred	Generally payable for the full year, in advance	Insurance Company(ies)

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment Is To Be Made
Business Insurance ¹³ (first three months)	\$500 - \$1,000	As Agreed	As Agreed	Respective Insurance Company
Additional Funds ¹⁴ (first three months)	\$5,000 - \$25,000	As Incurred	As Incurred	Employees, Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT¹⁵	\$72,250 - \$118,600			As specified above

None of the payments shown above are refundable except office rent deposits and insurance deposits. We do not finance any part of the initial investment. The figures and footnotes listed in this Item 7 are estimates and we cannot guarantee that you will not have additional expenses starting your My Elder® Business. These estimates also do not include any compensation for the Franchise owner or personal living expenses. These numbers are based on average market rates at the time of this Franchise Disclosure Document draft and may fluctuate based on numerous variables. Actual costs will vary for each Franchise depending on a number of factors. Your costs depend on how much you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the local market for your services and products; the prevailing wage rate; competition; and the sales level reached during the initial period of operation of your Business. You should review these figures carefully with a business advisor before making any decision to purchase a Franchise.

Explanatory Notes

1. This amount is the Initial Franchise Fee for one unit. Please see Item 5 for discounts to the Initial Franchise Fee.
2. A My Elder® business occupies approximately 350 to 650 square feet of office space. Rent varies by geographic location, size, local rental rates, businesses in the area, site profile, and other factors, and may be considerably higher in large metropolitan areas than in more suburban or small-town areas. My Elder® businesses can be located in executive suite office centers, independent office buildings, freestanding units, other venues in business park areas, and in multi-use residential areas. Your Franchised Business may initially be located in a residence, with certain qualifications, as determined by us. Within nine months of opening your Franchised Business you will relocate to a commercial office space, as detailed in the operations manual, unless we allow you to continue to operate your business from a home office. Restrooms can be a shared space.

We anticipate that you will rent office space, and the figures in the table include the first three months' rent. Whether this rent is refundable depends on your agreement with your landlord. It is possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Franchised Business already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying. Because of the numerous variables that affect the value of a particular piece of real estate, this estimated initial investment table does not reflect the potential cost of the purchase of real estate.

3. Generally required under a commercial real estate lease is a security deposit and last month's rent as a deposit for a lease. The amount of the lease security deposit depends on your lease agreement. Thereafter, rent is generally paid on a monthly basis. Whether this deposit is refundable depends on your agreement with your landlord.
4. Leasehold improvement costs, as detailed in the operations manual, may include floor covering, wall treatment, ceilings, painting, window coverings, electrical, carpentry and similar work, and contractor's fees, depending on the site's condition, location, and size; the demand for the site among prospective lessees; the site's previous use; the build-out required to conform the site for your Franchised Business; and any construction or other allowances the landlord grants. The lower figure assumes that an executive suite style location has been leased and no remodel is necessary; the higher figure assumes basic remodel of a standard leased office space. The figures do not include labor charges, if any, as the rates will vary by location.
5. An architect can provide architectural services, if necessary.
6. These amounts include possible business licensures and permits required by local, state or federal law, including, but not limited to business license, Certificate of Occupancy, remodeling permit, debris removal permit, signage permit, and electrical permit. Rates will vary by federal, state and local laws.
7. This amount is the monthly fee for a My Elder software license, support, Active Web login, Automated Needs Assessment, management of a microsite and up to two My Elder email addresses with Microsoft Outlook (\$50 per each additional address). This fee may increase yearly up to a maximum of 10% per year.
8. These amounts include, but are not limited to, two desks; two chairs; a two-drawer locking file cabinet; outdoor signage and two vehicle signage magnets; a 4-in-1 wireless color printer, copier, scanner, and fax; two smartphones and a handset phone system, minimum of two.
9. These amounts include, but are not limited to, paper products, printing products, general office products, peripheral computer equipment and cleaning products.
10. This is the minimum required amount you must spend on opening launch, marketing and advertising for your Business. This includes a marketing packet which contains two sets of 1,000 branded business cards, branded letterhead art ready to personalize, branded brochure art and contents ready to personalize, and blog content to personalize. The cost of the opening launch marketing packet is \$2,500 and it must be paid to us.
11. If you send more than two individuals for training, we will charge you a \$2,500 fee for each additional trainee, not to exceed three additional trainees.
12. OPTIONAL: Rates will vary by individual. Because of the numerous variables that affect this cost, this is an estimated initial investment.
13. You must obtain and maintain certain types and amounts of insurance (See Item 8). Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross revenue, and number of employees, square footage, location, business contents, and other factors bearing on risk exposure. Payments may be made in installments; however, availability of installment plans will vary by company. The estimate includes insurance costs for the first three months.

Because of the numerous variables that affect the cost of workers' compensation, disability or unemployment insurance, this estimated initial investment table does not reflect the potential cost of this insurance.

14. This item estimates your expenses during the initial period of operation of your Franchised Business (other than the items identified separately in the table). These expenses include payroll costs, but not any draw or salary for you. These figures also include the networking event costs you may incur. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs depend on how much you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the local market for your services and products; the prevailing wage rate; competition; and the sales level reached during the initial period of operation of your Business.
15. We relied on the experience of our Affiliate and our predecessor's operation of a business similar to the Franchised Business for approximately six years to compile these estimates. You should review these figures carefully with a business advisor before deciding to acquire the Franchise. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and your collateral, and lending policies of financial institutions from which you request a loan.

The estimates in this Item 7 table are the initial estimates to open one Franchised Business. The estimates on some line items will double or triple if you are signing two or three Franchise Agreements, respectively, at the same time. These line items are Rental/Lease Security Deposit/Leasehold Improvements/Architectural Plans (if we do not allow you to continue to operate the Franchised Businesses from a home office), Business Licenses and Permits, Computer System, Webpage/Initial Database Set-Up, Opening Launch Marketing and Advertising, Training Fees, Training Expenses and Business Insurance. You may also need extra Additional Funds for each additional Franchised Business you buy.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate the Franchised Business according to our "System Standards". System Standards may regulate, among other things: the types, models, and brands of office equipment, office furnishings, fixtures, and signage (collectively, "Operating Assets"); elder care advisory services and products, and The MEA Method® you must use in operating the Franchise; unauthorized and prohibited elder care advisory services and products you must not use; inventory requirements; and designated or approved suppliers of Operating Assets, any proprietary services and/or products ("Trade Secret Services and/or Products"), and other items.

You must also utilize My Elder® corporate advisors for all network services, including, but not limited to, long-term care insurance, financial planning, accounting services, senior movers and legal services. If there are local network service advisors in your area for any of the above-referenced services, those advisors must be approved by us.

Purchase from Designated or Approved Suppliers

We have the absolute right to restrict all of the suppliers with whom you may deal for your Franchised Business. We may, in our sole discretion, require that any elder care advisory services, products

and other items used in connection with the operation of your Franchised Business be purchased exclusively from us, our Affiliate, or other approved or designated supplier(s), or distributor(s).

We restrict your suppliers in order to assure quality, assure a reliable service(s) and product(s) that meet our standards, achieve better terms of purchase and delivery service, control usage of the Marks by third parties, and monitor the processing, delivery service, manufacture (if applicable) and sale of services and products.

Suppliers of certain services and items may be limited to us, our Affiliate, or other specified exclusive supplier(s), in which event you must buy such services and items from us, our Affiliate or any such other specified approved or designated supplier at the prices exceeding our or their costs we or they decide to charge.

We do not provide any material benefit to franchisees for use of approved or designated suppliers or on the basis of purchase of particular products and services.

You will receive all Trade Secret Services and/or Products, which currently consist of our comprehensive elder care advisory materials and training from us or our Affiliate and The MEA Method®; and you must currently engage all of your business services, buy software and signage, as well as certain office furnishings and business equipment and the Computer System, from designated or approved suppliers. We will identify all designated or approved suppliers in the operations manual or other written communications. Any purchases from us and our Affiliate, whether required or voluntary, will be at prices exceeding our or their costs.

If we have not instituted any type of restrictive sourcing program (which, as noted above, we already have done for certain items and may do so for other items), and if you want to use any service or item that we have not yet evaluated or to buy or lease from a supplier that we have not yet approved or designated, you first must send us sufficient information, specifications, and references so that we can determine whether the service or item complies with System Standards or the supplier meets approved supplier criteria. The criteria for our approving suppliers are made available to you in our operations manual and other written communications. We may charge you or the supplier a reasonable fee for the evaluation and will decide within a reasonable time (generally no more than 30 days). We periodically will establish procedures for your requests and may limit the number of approved items, services or suppliers, as we think best.

Supplier acceptance will depend on quality, delivery of service and reliability, service standards, financial capability, customer relations, concentration of suppliers to obtain better prices and service, and/or a supplier's willingness to pay us or our Affiliate for the right to do business with our system. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new service, supplier or product. We may refuse to accept a service, supplier or product for any reason whatsoever or for no reason whatsoever, strictly at our discretion.

Purchases in Accordance with our Specifications

In addition, to maintain the quality of the services and products that My Elder® businesses provide and the reputation of our System, we may require that certain services and products used in connection with the operation of the Business must meet our minimum standards and specifications. Such services and products may be purchased from any suppliers, so long as they meet our minimum standards and specifications.

We will formulate and modify standards and specifications based on our Affiliate's and our franchisees' experience in operating My Elder® businesses. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design, and appearance. Our standards and specifications are made available to you in our operations manual and other written communications. We will also notify you of all approved suppliers.

We and our Affiliate are not approved suppliers for any product or service you must purchase or lease. None of our officers has an interest in any supplier.

We and our Affiliate have the right to receive payments from suppliers on account of their actual or prospective dealings with you and other franchisees and to use all amounts that we and our Affiliate receive without restriction (unless we and our Affiliate agree otherwise with the supplier) for any purposes we and our Affiliate deem appropriate.

Collectively, purchases and leases from us, our Affiliate or designated or approved suppliers that must meet our specifications represent approximately 90% of your overall services, purchases and leases in establishing the Business and 35% to 40% of your overall services, purchases and leases in operating the Business. During the fiscal year ended December 31, 2019, neither we, nor our Affiliate, derived any revenue from offering elder care advisory services and/or selling products or items to franchisees, nor did we or it receive any rebates from suppliers on account of purchases of required and approved elder care advisory services, products or items by franchisees. We and/or our Affiliate have the right to receive such payments in the future.

There currently are no purchasing or distribution cooperatives; however, you may be required to participate in a National or Regional advertising cooperative (see Item 11). We may negotiate purchase agreements with suppliers (including price terms), for the benefit of the System, however, we have not yet done so. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular services or products or use of particular suppliers.

We may also require you to participate in company-wide promotions as specified in our operations manual.

Insurance

You must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations. You currently must carry General Liability Insurance, which can include bodily injury liability (for injuries to other people in connection with your business), property damage (for damage to the property of others), personal injury liability (for wrongful entry, libel, slander, false arrest), advertising liability (for publishing inaccurate information resulting in slander or libel, violation of privacy, wrongful copying and infringement), legal defense, product liability, products/completed operations, and contracts. Coverage may vary depending on space, size or location of your Business. You should establish requirements with the landlord or property owner for the required minimums for your location, any coverage required by law, or by your lease. Premiums depend on the insurance carrier's charges, terms of payment, and your history.

You must submit Error and Omission (E&O) insurance coverage verification to us quarterly.

All insurance policies must name us as additional insured parties. The chart below cites minimum required coverage. Refer to the operations manual for all required, suggested and optional insurance.

Type:	Coverage Amount	How Rated:
General Liability	\$1,000,000	Per Occurrence
	\$2,000,000	In the Aggregate
Professional Liability	\$1,000,000	Per Occurrence
	\$3,000,000	In the Aggregate
Workers' Compensation	As required by law	Per Employee
Medical/Personal Injury Insurance	\$10,000	Not less than per Occurrence
Error and Omission Insurance (E&O)	\$1,000,000	Per Occurrence
	\$3,000,000	In the Aggregate
Valuable Papers (Optional)	\$75,000	Per Occurrence
Automobile Liability Insurance (Optional) (If automobile is owned, non-owned, rented, scheduled or hired by the business)	\$1,000,000	Per Person
	\$3,000,000	Per Accident
	\$ 500,000	Per Occurrence
	\$1,000,000	General Liability per Occurrence
Crime & Employee Dishonesty Insurance	\$ 30,000	Per Occurrence
Business Interruption Insurance	\$ 20,000	Not less than Per Month

Advertising Materials

Before you use any advertising, digital, promotional, and marketing materials that we have not prepared or previously accepted, you must send us samples for review. If you do not receive written rejection within ten days of our receipt of time sensitive publications, such as digital media, newspaper and press releases, 14 days of our receipt of monthly publications and coupons, and 30 days of our receipt of exterior signage and banners, they are deemed to be accepted. You may not use any advertising, digital, promotional or marketing materials that we have not accepted or that we have rejected.

Franchised Business Site

The Franchised Business must be located at a site that we accept. We must also accept your lease or sublease for the site, and we have the right to reject a proposed lease or sublease, and/or to require that it include certain provisions (see Sections XII.U and XX.B of the Franchise Agreement), including our right to the occupancy of the Franchised Business premises if your Franchise is terminated or not renewed, or if you lose possession because of your default under the lease. We may require you and your landlord to sign a Collateral Assignment of Lease which is attached to the Franchise Agreement as Attachment 6.

Development of Franchised Business

You must develop the Franchised Business. We will give you mandatory and suggested specifications and layouts for your premises, including requirements for dimensions, design, image, interior layout, décor, color scheme, trade dress, and operating assets. These specifications and layouts might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act ("ADA") or similar rules governing public accommodations for person with disabilities. We may review and accept all final specifications and plans before you begin remodeling the Franchised Business and all revised or "as built" specifications and plans during remodeling. Our review is only to ensure your compliance with our design/trade dress requirements. We may inspect the Franchised Business at any time during its development.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	XII.U and XX.B	7, 8, 11 and 12
(b) Pre-opening purchases/leases	XII.A and XII.G	6, 7, 8 and 11
(c) Site development and other pre-opening requirements	XII.G, XII.U and XX.C	7 and 11
(d) Initial and ongoing training	XX.A and XX.D	5, 6, 7 and 11
(e) Opening	IX.C	11
(f) Fees	VIII, IX and X	5, 6 and 7
(g) Compliance with standards and policies/Operations Manual	XII.A and XII.H	8 and 11
(h) Trademark and proprietary information	XV and XVI	13 and 14
(i) Restrictions on services/products offered	XII.A and XII.I	8, 11, 12 and 16
(j) Warranty and customer service requirements	XII.A.9, XII.F, XII.H and XII.K	None
(k) Territorial development and sales quotas	None	None
(l) On-going product/ service purchases	XII.I	6, 8, 11 and 16
(m) Maintenance, appearance and remodeling requirements	XII.E	6, 8, 11 and 17
(n) Insurance	XIII	6, 7, 8 and 11
(o) Advertising	X.B, X.C, X.D and X.E	6, 7, 8 and 11
(p) Indemnification	XVIII	6
(q) Owner's participation/ management/staffing	XII.F and XII.K	11 and 15
(r) Records and reports	XIV	None
(s) Inspections and audits	XII.S and XIV.B	6 and 11
(t) Transfer	XXII	6 and 17
(u) Renewal	VII.B	6 and 17
(v) Post-termination obligations	XXIV	17
(w) Non-competition covenants	XIX.B	15 and 17

Obligation	Section in Franchise Agreement	Disclosure Document Item
(x) Dispute resolution	XXV.D	17

Item 10

FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases or other obligations.

Item 11

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

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

Pre-Opening Obligations.

Before you open your Franchised Business, we will:

1. Accept or reject a location you propose within 15 business days after receiving your description of, and evidence confirming your favorable prospects for obtaining a lease for, the proposed site. We will use reasonable efforts to help analyze your market area, to help determine site feasibility and to assist in designating the location, although we will not locate the site, conduct site selection activities for you, or negotiate the purchase or lease of the site for you. Neither we, nor our Affiliate own any premises that we would lease to franchisees. The site must meet our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. (Franchise Agreement – Section XII.U);
2. Accept or reject your proposed lease. If you are not permitted by us to continue to operate out of a home office, you must sign a lease for the premises of your Franchised Business that meets our requirements within nine months after opening the Franchised Business. (Franchise Agreement – Section XII.G.). This assumes you will initially operate as a home-based business.

If you do not locate and sign a lease that we have approved or sign a purchase document for an acceptable site for the premises of your Franchised Business within nine months after you open your Franchised Business, we have the right to terminate the Franchise Agreement. (Franchise Agreement – Section IX.C);

3. Provide you with mandatory and suggested specifications and layouts for a My Elder® Business premises, including requirements for dimensions, design, image, interior layout, décor, color scheme, trade dress, furnishings, fixtures, business equipment and signage. We will not assist you in the conforming of your premises to local ordinances, and/or building codes, obtaining any required permits, or constructing, remodeling or decorating the premises. (Franchise Agreement – Section XII.U);
4. Identify the operating assets, and other services, products and suppliers that you must use to develop and operate the Franchised Business, the minimum standards and specifications that

- you must satisfy, and the designated or approved suppliers from whom you must or may buy or lease these items (which may be limited to or include us, our Affiliate, or other specified exclusive sources). We will also assist you in providing or obtaining the necessary business equipment, signage, furnishings, fixtures, opening inventory and products. As disclosed above, we provide written specifications for these items in the operations manual. We will not either deliver or install these items, unless we agree otherwise. (Franchise Agreement – Sections XII.A, XII.G, XII.H, XII.I, XII.J, XV and XVI);
5. For the term of the Franchise Agreement, provide you with one copy of each of our manuals (collectively the “Manual”), on loan, which may include portable storage devices, PowerPoint® presentations, flash presentations, video, webinars, computer software, other electronic media, online/virtual means, and/or written materials. (Franchise Agreement – Section XX.E.) The Manual contains mandatory and suggested specifications, standards, operating procedures, and rules that we periodically require. These are the administrative, bookkeeping, accounting, and inventory control procedures you will need. We may modify the Manual periodically to reflect changes in System Standards and these modifications may require you to invest additional capital in the Business or incur higher operating costs;
 6. We have the right to require minimum pricing on promotions, services and/or products throughout the franchise and we have the right to advise you on suggested retail prices. (Franchise Agreement – Sections XII.A, XX.G and XXV.N);
 7. Advise you with respect to the opening launch, marketing and advertising program. (Franchise Agreement – Section X.E);
 8. Train you or your Principal and one manager-level employee. (Franchise Agreement – Sections XII.V and XX.A) We will describe this training later in this Item;
 9. Provide you with a Welcoming Package after you sign the Franchise Agreement that includes, at minimum, two branded golf shirts, two branded coffee mugs, 50 branded pens/styluses, and 10 branded notebooks. (Franchise Agreement – Section XX.J);
 10. Train you in The MEA Method®

Training

If this is your first My Elder® Business, then before the Franchised Business opens, we will train you or your Principal and one of your manager-level employees on operating a My Elder® Business. We will provide approximately five days of training (the specific number of days depends on our opinion of your experience and needs) at our training facility in New York, New York, or another location we designate and/or at an operating My Elder® Business location. We will also provide approximately two days of training (the specific number of days depends on our opinion of your experience and needs) at your location. If you or your Principal and one of your manager-level employees cannot complete initial training to our satisfaction, we may terminate the Franchise Agreement, in which event we will refund one-third of the Initial Franchise Fee to you, provided that you sign our required form of release of claims. (Franchise Agreement – Section XX.A)

We provide initial management training for you or your Principal and one of your manager-level employees at no additional charge per franchise purchased. If you wish to have additional persons beyond the first two trainees (up to a maximum of three additional persons), you must pay our then-current training fee of \$2,500 per each additional person in attendance. All training fees per person must be paid in full

before training begins. You also must pay for all travel and living expenses that you and your employees incur and for your employees' hourly wages and/or salaries (if applicable), and workers' compensation insurance, unemployment insurance, and disability insurance (if applicable) during training.

Training will occur after you have signed the Franchise Agreement and while you are developing the Franchised Business location. All required attendee(s) must complete training to our satisfaction before you may open your Franchised Business. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel and, in all events, we will schedule the training in sufficient time in order to enable you to open your Franchised Business within 60 to 120 days from the date that you sign the Franchise Agreement.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Module 1 – Classroom			
Introduction/History/Philosophy of My Elder®	2.0	N/A	New York, New York
Use of the Manual	2.5	N/A	New York, New York
Pre-Opening Procedures	2.0	N/A	New York, New York
Elders and Elder care in America	3.0	N/A	New York, New York
Get Familiar with your Franchise Zone	2.0	N/A	New York, New York
Marketing Process	3.0	N/A	New York, New York
Sales Process	3.0	N/A	New York, New York
My Elder® Systems	2.0	N/A	New York, New York
Setting up your Office	1.0	N/A	New York, New York
Staffing	1.0	N/A	New York, New York
Staffers Roles and Responsibilities	1.0	N/A	New York, New York
Dealing with Clients	1.5	N/A	New York, New York
Using The MEA Method®	3.0	N/A	New York, New York
Reporting to Clients	1.5	N/A	New York, New York
Long Distance Care Management	1.5	N/A	New York, New York
Module 2 – Operations			
In-Business Training – Overall Operations	N/A	20.0	New York, New York
Training TOTALS of Module 1 and 2	30.0	20.0	50.0 Hours Total
Module 3 – On-site			
On-Site/In-Business Training	N/A	20.0	Franchisee's Location
TOTALS of Modules 1, 2 and 3	30.0	40.0	70.0 Hours Total

Jack Halpern, our Chairman, and Claudine Halpern, our Chief Executive Officer conduct or personally oversee all training. Jack and Claudine have been operating an elder care advisory services business similar to the Franchised Business for over eight years and are responsible for all aspects of the MyElder brand, including operations, process management, marketing and brand development. Other personnel may assist. The Manual will be used as the principal instruction material.

Training classes are held on an as-needed basis, either at our Affiliate's location, at our offices in Jersey City, New Jersey, or at another chosen location and training will be scheduled in order to enable you to open the Business within 60 to 120 days from the date that you sign the Franchise Agreement. The only expenses you will incur for training of up to two persons are travel and living expenses, and wages (if applicable) while the training program occurs, and workers' compensation insurance, unemployment insurance, and disability insurance (if applicable). All required attendees must successfully complete the initial management training. Additional training, which may be virtual or in-person, may be held prior to your opening or after you have opened the Business. Such training may be mandatory at our discretion.

When the Franchised Business is ready to open, we will, at our cost, send one or more of our representatives to your location for two days to assist with the opening of your Franchised Business and to provide additional training.

You or your Principal and/or other previously trained and experienced employees must also attend and satisfactorily complete various training courses that we periodically provide at the times and locations we designate, or by portable storage devices, PowerPoint® presentations, flash presentation, video, webinars, computer software, other electronic media, online/virtual means, or written materials. We will not require attendance for more than a total of five days during a calendar year. Besides attending these courses and you must attend an annual meeting of all franchisees at a location we designate. We will not require attendance at the annual meeting for more than three days during any calendar year. You are responsible for all related travel, living expenses and hourly wages and/or salaries (if applicable), and workers' compensation insurance, unemployment insurance and disability insurance (if applicable) for all attendees.

We will require newly hired management personnel to complete the initial management training program, as detailed in the Manual. You are responsible for all related travel and living expenses, and hourly wages and/or salaries (if applicable), and workers' compensation insurance, unemployment insurance and disability insurance (if applicable) for all attendees.

Opening

We estimate that it will be 60 to 120 days after you sign the Franchise Agreement before you open the Franchised Business. This assumes that you initially operate your Franchised Business from a home office. The specific timetable for opening depends on the site's condition; the extent to which you must upgrade or remodel an existing location; the delivery schedule for equipment and products; completing training; and complying with local laws and regulations. You may not open the Business until: (1) we notify you in writing that the Business premises meets our standards and specifications; (2) you complete the initial training program to our satisfaction; (3) you pay the Initial Franchise Fee and other amounts then due us; and (4) you supply us with copies of all certificates for all required insurance policies, copies of all required industry-specific certifications and/or licenses, and copies of appropriate government approvals, permits, and licenses. Subject to these conditions, you must open the Business no later than 120 days after signing the Franchise Agreement, or we may grant you one 15-day extension to open the Business. (Franchise Agreement – Section XII.G)

Unless you have obtained our advance written approval to continue to operate the Franchised Business from a home office, you will sign a lease for an acceptable commercial office space within nine months after opening the Franchised Business. We may terminate the Franchise Agreement if you fail to do so. You may not open your commercial office until: (1) we notify you in writing that the Franchised Business premises meets our standards and specifications; and (2) you supply us with copies of all certificates for all required insurance policies, copies of all required industry-specific certifications and/or

licenses, and copies of appropriate government approvals, permits, and licenses. (Franchise Agreement – Section XII.G) Our approval for you to continue to operate out of a home office is conditioned upon you maintaining the professional standards and goodwill of the System, and our approval may be retracted at any time if these standards are not being met.

Continuing Obligations.

During your operation of the Franchised Business, we will:

1. Advise you regarding the Franchised Business's operation based on your reports and our inspections. We also will guide you on; and administrative standards, specifications, and operating procedures and methods used by a My Elder® Business; purchasing required and authorized operating assets, Trade Secret Services and/or Products, and other items, and arranging for their distribution to you; advertising and marketing materials and programs; employee training, bookkeeping, accounting, and inventory control procedures. We will guide you in our Manual; bulletins and other written materials; by electronic media; by telephone consultation; and/or at our office or the Business (Franchise Agreement – Sections XII.A and XII.H);
2. Give you, at your request (and our option), additional or special guidance, assistance, and training (Franchise Agreement – Section XII.V and XX.A);
3. Continue to loan you one copy of the Manual, which could include, but not limited to, portable storage devices, PowerPoint® presentations, flash presentation, video, webinars, software, other electronic media, online/virtual means, and/or written materials (Franchise Agreement – Section XX.E);
4. Have the right to require minimum pricing on promotions, services and/or products throughout the franchise and we have the right to advise you on suggested retail prices (Franchise Agreement – Sections XII and XX);
5. Issue and modify System Standards, services and products for My Elder® Businesses. We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may require you to invest additional capital in the Business or incur higher operating costs (Franchise Agreement – Sections XII.A, XII.H and XII.O);
6. Inspect the Franchised Business from time to time and observe its operation to help you comply with the Franchise Agreement and all System Standards. We will also be available by phone to help resolve operating problems you may encounter (Franchise Agreement – Sections XII.S and XIV.B);
7. Let you use our confidential information (Franchise Agreement – Section XVI);
8. Let you use our Marks (Franchise Agreement – Section XV);
9. Develop, design and provide you with creative materials for local and regional advertising and make such advertising materials available to you for publication or distribution in your market area and at your own expense, and provide you with specific guidelines for advertising initialed by you (Franchise Agreement – Section XX.H);
10. Offer refresher management training courses from time to time. At our discretion, you and your employees must attend these courses, in person or by virtual training sessions, as we may

specify. We do not assist you in hiring your employees (Franchise Agreement – Section XII.V and XX.A), (See Item 6.);

11. Request weekly Royalty Reports, even if sales are zero. Failure to submit weekly Royalty Reports by due date constitutes a breach of contract (Franchise Agreement – Section XIV.C);
12. Request that all client files be stored electronically in a central cloud location, and are password protected. Once the client paper files have been scanned into the business computer, they then must be immediately shredded. We have the right to independent, unlimited access to all of the client information stored electronically (Franchise Agreement – Section XIV. F);
13. Request that you attend networking events: four times a week for the first six months of operation; two times a week for months seven to 18; and beginning in month 19 at our discretion only (upon review), we will determine the frequency of networking events.

Marketing Fund

We may establish in the future a Marketing Fund (the “Fund”) for advertising, marketing, and public relations programs and materials we deem appropriate. As of the date of this Disclosure Document, we have not established a Fund. However, if and when we do, you must contribute to the Fund, up to 2% of your Gross Income (See Item 6). All My Elder® businesses that we or our Affiliate own will contribute to the Fund on the same basis as franchisees. We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with My Elder® businesses and with whom we have agreed that we will so deposit these allowances.

We will direct all programs financed by the Fund, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. We have the option of using an in-house advertising department or a national or regional advertising agency. The Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Fund may advertise locally, regionally, and/or nationally in printed materials, on radio or television, on the Internet, and/or on social media, whatever we think best. The Fund periodically will give you samples of advertising, marketing, and promotional formats and materials at no cost. We will sell you multiple copies of these materials at our cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Fund separately from our other funds and not use the Fund for our general operating expenses. However, we may use the Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Fund, the Fund’s other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, overhead relating to Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Fund and its programs, including conducting market research; public relations; preparing advertising, promotion, and marketing materials; and collecting and accounting for Fund contributions. We may also use the Fund to pay for the creative and production costs for such items as billboard and/or signage design, radio, television and electronic media production, public relations campaigns, copy for newspaper, magazine advertisements, flyers, brochures, virtual advertisements, and other promotional material.

The Fund is not our asset. The Fund also is not a trust. We have a contractual obligation to hold all Fund contributions for the benefit of the contributors and to use contributions only for their permitted purposes (described above). We have no fiduciary obligation to you for administering the Fund. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. If not all of the advertising funds are spent in the year they accrue, we will carry the balance over into the next year. We will use interest earned on Fund contributions to pay costs before spending the Fund's other assets. We will not use Fund contributions for advertising that principally is a solicitation for the sale of franchises. We will prepare an annual, unaudited statement of Fund collections and expenses, and provide you with a copy upon your written request. We may also have the Fund audited annually, at the Fund's expense, by an independent certified public accountant, but we are not required to do so. We may incorporate the Fund or operate it through a separate entity as we think best. The successor entity will have all of the rights and duties described herein.

The purpose of the Fund is to maximize recognition of the Marks and patronage of My Elder® businesses. Although we will try to use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all My Elder® businesses, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by My Elder® businesses operating in that geographic area or that any My Elder® business benefits directly or in proportion to its Fund contributions from the development of advertising and marketing materials or the placement of advertising, or that any advertising is placed in your Territory. We may use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce your Fund contributions and, upon 30 days prior written notice to you, reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will distribute all unspent monies to franchisees, and to us and our affiliate(s), in proportion to their, and our, respective Fund contributions during the preceding 12-month period (Franchise Agreement – Section X.B).

During the fiscal year ended December 31, 2019, no Fund contributions were required, made or expended.

Your Local Advertising

In addition to your Fund contributions, if any, and your opening launch marketing and advertising obligation, you must spend at least 4% of the Gross Income of the Franchised Business or \$1,000, whichever is greater, to advertise and promote your Franchised Business (including the costs virtual classified business advertising). Within 25 days after the end of each month, you must send us, in the manner we prescribe, an accounting of your expenditures for local advertising and promotion during the preceding month. Your local advertising and promotion must follow our guidelines. All advertising and promotional materials developed for your Franchised Business must contain notices of our Website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Franchised Business or displays any of the Mark.

All advertising, promotion, and marketing must be completely clear, factual, and not misleading, and must conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we periodically require. Before you use any advertising, digital, promotional and marketing materials that we have not prepared or previously accepted, you must send us or our designated

agency samples for review. If you do not receive written rejection within 10 days of our receipt of time sensitive publications, such as time sensitive publications, such as digital media, newspapers and press releases, 14 days of our receipt of monthly publications and coupons, and 30 days of our receipt of exterior signage and banners, they are deemed to be accepted. You may not use any advertising, digital, promotional, or marketing materials that we have not accepted or have rejected.

You may list and advertise, if you so choose, the Franchised Business in at least one recommended classified print telephone directory distributed within the Territory (in designated business classifications) and use an approved form of classified telephone directory advertisement. You must list and advertise the Franchised Business in at least one recommended online directory distributed within the Territory (in designated business classifications) and use an approved form of online directory advertisement. If other My Elder® Businesses are located within either of the directory's distribution area, you must participate in a collective telephone directory advertisement and/or collective online directory advertisement with those Businesses and pay your share (Franchise Agreement – Section X.D).

Cooperatives

There are presently no advertising councils or local or regional advertising cooperatives. If an advertising cooperative is formed by our franchisees and approved by us, you must agree to contribute to the cooperative the amount agreed upon by a majority of the members of the cooperative, to pay that amount to the advertising cooperative and the times agreed upon by the majority, and abide by the cooperative's rules. The cooperative will determine who will administer the cooperative. The written governing documents will be available for review by you. Cooperatives need not prepare annual or periodic financial statements, but if they are prepared, they may be reviewed by you. We will not have the power to require cooperatives to be formed, changed, dissolved or merged.

Franchise Advisory Council

We do not currently have a franchisee advisory council that advises us on advertising policies.

The Operations Manual

The Table of Contents for the Manual is shown in Exhibit D. As of the date of this Disclosure Document, the Manual contains a total of 270 pages. The number of pages devoted to each subject is also shown in Exhibit D.

Computer System

Before your Franchised Business opens for business, you will obtain and install, at your expense, the computer hardware, software, and internet connections required, dedicated telephone and power lines, and other computer-related accessories, peripherals and equipment that we specify in our Manual or otherwise. You agree to obtain and maintain high speed communications access as we require for your Computer System. You also agree to maintain at all times a functioning email address for your Franchised Business.

You will need at least one Mac or PC desktop or laptop computer; one iPad or Tablet (mini or full-size phone and Wi-Fi connectivity), one smartphone with a designated business line for you and one smartphone per staff member and independent contractor. All devices must be capable of operating required application that are approved by Franchisor. All incoming phone calls must be answered by a Franchisee representative or an answering service. The use of voicemail to conduct client business is not permitted.

The Computer System will manage client data and client invoicing, create client presentations, generate income and expense reports of the Consulting Firm. The telecommunication requirements will communicate securely and effectively with clients. The Computer System costs from \$1,900 to \$4,200. You will be solely responsible for the acquisition, operation, maintenance, and upgrading of the Computer System. The estimated cost of maintenance, updating, upgrading or support contracts for the computer system can range from \$250 to \$600 per year. Neither we, nor our Affiliate or third party, is obligated to provide ongoing maintenance, repairs, upgrades or updates for the Computer System. We currently do not require that you purchase a maintenance, repair, upgrade or update service contract for the Computer System, but we have the right to do so in the future. All technology specifications and costs are subject to change based on technology changes and/or system changes.

You will not be required to retain a computer expert to set up or operate your Computer System except in the event of any system malfunction. We have the right to change the Computer System requirements at any time. There are no contractual limitations on the frequency and cost of this obligation, and we will not reimburse you for any of these costs.

We have the right to independent, unlimited access to all of the information generated by the Computer System.

You must have a functioning email address so that we can send you notice and otherwise communicate with you by Internet. No personal information is to be stored on the business-dedicated Mac desktop and/or laptop computer, or any business-dedicated electronic device. We have the right to independent, unlimited access to all of the information generated by the Computer System.

If we or an affiliate should develop any proprietary software or technology for use by the System, we may condition your use of such software or technology on your signing the Software License Agreement or similar document that we or our Affiliate prescribes to regulate your use of, and our and your respective rights and responsibilities concerning the software or technology. We or our Affiliate may charge you a monthly or other fee for any proprietary software or technology that we or our Affiliate license to you and for any maintenance and support services that we or our Affiliate provide during the franchise term.

Item 12

TERRITORY

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

You will locate and operate the Franchised Business at a specific location within the defined territory that we first must accept. You may operate the Franchised Business only from the accepted location and may not relocate it without our approval. We will allow a relocation of your Franchised Business to another location within the defined territory, provided that it does not encroach upon the territorial rights of another franchisee or an affiliate.

Your Franchised Business must be located in an executive suite office center or independent office building, freestanding unit, or other venue in a business park area or in a multi-use residential area, if we have not provided our approval for you to operate out of a home office. You will receive a defined territory ("Territory") consisting of a minimum population of 250,000 households, within a particular Designated Market Area (DMA) as defined by Nielsen/Arbitron, and to be adjusted by Franchisor at the awarding of the franchise.

We will describe the Territory in your Franchise Agreement before you sign it and, except as stated in this Disclosure Document, we do not have the right to alter the Territory.

We will not, so long as the Franchise Agreement is in force and effect and you remain in full compliance with all of the terms of the Franchise Agreement, license or establish another My Elder® Business to conduct business at a location within the Territory.

You must operate the Franchised Business from a single location and conducting business outside of the Territory will be considered a material default under the Franchise Agreement. You may not conduct sales in any channels of distribution including the internet, catalog sales, telemarketing, or other direct marketing, to make sales and accept clients from outside your Territory.

You do not receive the right to obtain additional franchisees in the Territory.

You may not engage in any elder care advisory services businesses other than your franchised My Elder® business without our prior written consent, and you may not be engaged in any other business whatsoever within your Territory without our prior written consent. You shall not under any circumstances engage in any wholesale trade or sale of System elder care advisory services or products for resale.

Except as expressly disclosed above, and provided that you are in full compliance with the Franchise Agreement, we and our Affiliate will not operate or grant a franchise for the operation of another My Elder® business at a location within your territory during the term of the Franchise Agreement. Except as expressly limited by the previous sentence, we and our Affiliate retain all rights with respect to the My Elder® business, the Marks, the sale of similar or dissimilar services and products, including proprietary procedures and products, and any other activities we deem appropriate whenever and wherever we desire, including but not limited to:

- a. the right to provide, offer and sell and to grant others the right to provide, offer and sell services and goods that are identical or similar to and/or competitive with those provided at a My Elder® Business, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including the Internet, or similar electronic media) both inside and outside your territory and on any terms and conditions we deem appropriate;
- b. the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar services and products, both inside and outside your territory under the Marks and on any terms and conditions we deem appropriate;
- c. the right to operate, and to grant others the right to operate My Elder® Businesses located anywhere outside your territory under any terms and conditions we deem appropriate and regardless of proximity to the Franchised Business;
- d. the right to acquire the assets or ownership interests of one or more businesses providing services and products similar to those provided at My Elder® Businesses, and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in your Territory); and
- e. the right to be acquired (whether through acquisition of assets, ownership interests or otherwise regardless of the form of transaction), by a business providing services and

products similar to those provided at My Elder Businesses, or by another business, even if such business operates, franchises and/or licenses competitive businesses in your territory.

We are not required to pay you if we exercise any of the rights specified above.

We do not have to pay you if we solicit or accept orders from inside your territory.

You have no options, rights of first refusal, or similar rights to acquire additional franchises.

Although we and our Affiliate have the right to do so (as described above), we and our Affiliate have not operated or franchised, and presently have no plans to operate or franchise, other businesses selling or leasing similar services and products under different names than My Elder®.

Renewal or Transfer

On renewal or transfer of a franchise, the Territory may be modified. Depending on the then-current demographics of the Territory, and on our then-current Franchise Agreement, specifically relating to the standards for territories, if your defined Territory is larger than our then-current standards for territories, we may require you or the transferee to accept a renewal agreement with a smaller territory or a transfer territory smaller than you had been previously awarded.

Continuation of your franchise or territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. However, if you want to renew your franchise at the end of the initial term, you must be in compliance with the Franchise Agreement and any other agreements and amendments at the time of renewal and meet Franchisor's requirements as specified in the Franchise Agreement (see Section VII.B of the Franchise Agreement).

Item 13 TRADEMARKS

You may use certain Marks in operating the Franchised Business. Our Affiliate has registered the following Marks on the Principal Register of the United States Patent and Trademark Office ("USPTO") as follows:

MARK	APPLICATION DATE	REGISTRATION DATE	REGISTRATION NUMBER	SERIAL NUMBER
MyElderAdvocate	September 5, 2013	October 21, 2014	4,623,492	86/056,397
My Elder Advocate	September 8, 2014	July 21, 2015	4,775,752	86/388,015
The MEA Method	June 19, 2014	February 16, 2016	4,902,518	86/315,038
My Elder	August 28, 2017	January 1, 2019	5,644,611	87/585,778

No affidavits or renewal filings are yet due in connection with these registrations, but our Affiliate intends to file all affidavits and other documents required to maintain its interests in and to the Marks when due.

On August 29, 2014, Jack Halpern assigned all rights, title and interest in the MyElderAdvocate Mark to our Affiliate. On September 2, 2014, our Affiliate licensed us the right to use the trademarks MyElderAdvocate®, My Elder Advocate®, and The MEA Method® (collectively the “Marks”) and to sublicense them to our franchisees for use in connection with the operation of Consulting Firms. The license agreement is for a term of 10 years and automatically renews for successive one-year periods unless our Affiliate or we terminate the agreement on 180 days written notice. On August 28, 2017, our Affiliate licensed us the right to use the trademark, MyElder®, and all related trademarks, and to sublicense it to our franchisees for use in connection with the operation of MyElder® Businesses. This agreement is for a term of ten years with automatic renewals for successive one-year periods. Other than one of the parties ceasing to exist, there are no circumstances under which this trademark license agreement may be terminated or modified. If the trademark license agreement is terminated, you will still be able to use the Marks and our system until the end of the term of the Franchise Agreement. No other agreement limits our right to use or license the Mark.

You must follow our rules when you use the Marks, including giving proper notices of trademarks and service mark registration and obtaining fictitious or assumed name registrations required by law. You may not use the Marks in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Website.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks and there are no agreements that may limit your use of the Marks. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

We or our affiliate will protect your right to use the Marks and will protect you against claims of infringement or unfair competition resulting from your use of the Marks.

You must notify us immediately of any apparent infringement or challenge to your use of the Marks, or of any trademark claim of any rights in the Marks, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us in protecting and maintaining our interests in any litigation or PTO or other proceeding. We will reimburse you for your costs of taking any action that we asked you to take.

If it becomes advisable at any time for us and/or you to modify or discontinue using the Marks and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Franchised Business’s signage, for any loss of revenue due to modification or discontinuance of the Marks, or for your expenses of promoting a modified or substitute trademark or service mark.

We will reimburse you for all damages and expenses that you incur in any trademark infringement or unfair competition proceeding disputing your authorized use of the Marks under the Franchise Agreement if you have timely notified us of, and comply with our directions in responding to, the

proceeding. At our option, we may defend and/or control the defense of any proceeding arising from your use of the Marks.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents material to the Franchise. There is a pending utility patent application which is material to the Franchise. The utility patent application is for an invention involving processing technology and a methodology tool to create and consistently improve elder care services referred to as The MEA Method®. The MEA Method® is based on a combination of several established technological and statistical process experiences and an extrapolation of future changes based on past effectiveness and success ratios. The serial number of the utility patent application is 14/725,797 (claiming priority to provisional application 62004565 filed May 29, 2014). The date of the application is May 29, 2015. The title of the application is A SYSTEMATIC METHOD FOR PROVIDING ELDER CARE SERVICES (the “Utility Patent Application”).

On July 21, 2014, Jack Halpern and Claudine Halpern assigned all rights, title and interest in the Provisional Patent Application to our Affiliate.

On September 2, 2014, our Affiliate licensed us the right to use the Provisional Patent and Utility Patent and to sublicense it to our franchisees for use in connection with the operation of My Elder® Consulting Firms. The license agreement is for a term of 10 years and automatically renews for successive one-year periods unless our Affiliate or we terminate the license agreement on 180 days written notice.

We claim copyrights in the Manual (which contains our trade secrets), our comprehensive elder care advisory materials and training, The MEA Method®, advertising and marketing materials and similar items used in operating My Elder® businesses, including proprietary items, our website and webpage. We have not registered these copyrights with the United States Registrar of Copyrights, but need not do so at this time to protect them. You may use these items only as we specify while operating your Business (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the Copyright Office (Library of Congress), or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the system’s best interests. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

Our Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes site selection criteria; comprehensive elder care advisory services; Trade Secret Services and/or Products; comprehensive elder care advisory training and operations materials; The MEA Method®; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating My Elder® Businesses; marketing and advertising programs for My Elder® Businesses; any computer software or similar technology that is proprietary to us or the system; knowledge of specifications for and suppliers of Operating Assets, Trade Secret Services and/or Products, and other services or products; knowledge of the operating results and financial performance of My Elder® Businesses other than your Franchised Business; and graphic designs and related intellectual property.

All ideas, concepts, techniques or materials concerning a My Elder® Business whether or not protectable intellectual property and whether created by or for you or your Principals or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the system, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

We will disclose to you all parts of the confidential information as are required for the operation of the Franchised Business during Initial Training, in the Manual, The MEA Method®, and in guidance and assistance furnished to you during your operation of the Franchised Business, and you may learn additional confidential information during your operation of the Franchise. You must disclose the confidential information to your employees only to the extent reasonably necessary. During and after the term of your Franchise Agreement, you, your Principals and staff must: (a) not use the confidential information in any other business or capacity, including any derivative or offshoot of the System; (b) maintain absolute discretion and confidentiality of the confidential information at all times; (c) not make unauthorized copies of any portion of the confidential information disclosed or recorded on portable storage devices, PowerPoint® presentations, flash presentation, video, webinars, computer software, other electronic media, online/virtual means, and/or written materials; and (d) adopt and implement all procedures that we prescribe to prevent unauthorized use or disclosure of, or access to, the confidential information.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent improper disclosure to others. All persons whom you authorize to have access to the Manual, The MEA Method®, or any other confidential information, must first sign our form of Confidentiality and Non-Competition Agreement and you must provide us with a copy of each signed Confidentiality and Non-Competition Agreement. Nothing contained in the Franchise Agreement will be construed to prohibit you from using the confidential information in the operation of your Franchised Business.

Item 15

OBLIGATION TO PARTICIPATE IN THE OPERATION OF THE FRANCHISE BUSINESS

You must act as the general manager of the Business with responsibility for direct, on-premises supervision of the Franchised Business and must devote full time and best efforts to the management and supervision of the Franchised Business. If you are a legal entity, one of your Principals must be designated as the general manager to be responsible for overseeing and supervising the Franchised Business’s operation. You must at all times faithfully, honestly, and diligently perform your contractual obligations and use best efforts to promote and enhance the Franchised Business.

The suggested staff required to open a My Elder® Franchised Business consists of a general manager and a bookkeeper (optional). As the business grows additional positions may be necessary, including, but not limited to, My Elder trained Elder Advocate(s), manager(s), Human Resource Specialist(s), Legal Consultant(s), Administrative Staff and Salesperson(s). All positions are not client representatives and may not be combined with the My Elder® certified Elder Advocate position.

System Standards may regulate your staffing levels; identify your personnel and employee qualifications, training, dress, and appearance. You must keep us informed via email at all times of the identity and personal contact information of any and all employees acting as managers and/or supervisors of the Franchised Business. Your managers and/or supervisors need not have an equity interest in the Franchised Business or you.

Your general manager and all other personnel who will have access to our proprietary and confidential information and training must sign our Confidentiality and Non-Competition Agreement which is attached to our Franchise Agreement as Attachment 3. We will be a third-party beneficiary of each agreement with the independent right to enforce the agreement's terms. If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Spousal Guaranty which is attached to our Franchise Agreement as Attachment 1.

You are required to belong to and maintain an account on certain social media platforms, as detailed in the Manual.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer, sell and provide all approved elder care advisory services and use all approved elder care advisory services and products that we periodically require for a My Elder® Consulting Firm, as specified in the Manual. You may not offer, sell or provide any elder care advisory services or use any elder care advisory services or products that we have not authorized or approved. Our System Standards may regulate required and/or authorized items and Trade Secret Services and/or Products, and approved elder care advisory services; elder care advisory vendor lists; printed material, use of The MEA Method®, access to designers and marketing professionals for advertisements, a 24/7 hotline for questions, website and webpage, unauthorized and prohibited elder care advisory services and elder care network advisors; unauthorized and prohibited products; purchase, storage, preparation and handling procedures; and inventory requirements of items and Trade Secret Services and/or Products, and other services and products so that your Franchised Business operates at full capacity. We periodically may change required and/or authorized elder care advisory services, elder care network advisors, Trade Secret Services and/or Products, and other services or products. There are no limits on our right to do so.

You may not offer, sell or provide any elder care advisory services or use any elder care advisory products, use any other items, or use any Trade Secret Services and/or Products other than at your Franchised Business location, within your Territory, and/or at clients' location.

You must use the premises only for the operation of your Franchised Business. You must keep your Franchised Business open for business and in normal operation for the minimum hours and days as we require in the Manual or otherwise in writing, except as may be limited by local law or the landlord's rules and regulations.

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(a) Length of the franchise term	VII.A	10 years from the effective date of the Franchise Agreement.
(b) Renewal or extension of the term	VII.B	If you are in full compliance with all terms and conditions, you may acquire two successor franchise terms of 10 years each (for a total of 20 additional years).
(c) Requirements for franchisee to renew or extend	VII.B	Give us a minimum of 120 days' notice; maintain possession of Franchised Business premises or find acceptable substitute premises; remodel Franchised Business according to our then-current standards (regardless of cost); and sign our then-current franchise agreement, which may contain terms and provisions that are materially different from the Franchise Agreement, such as different fee requirements and territorial rights, a release (subject to applicable state law), and other documents we use to grant franchises. In addition, you must attain, during the last 12 months of the then-current term of the Franchise Agreement, Gross Income of no less than 75% of the chain median (including both company or affiliate owned and franchised outlets) over the same period, and receive an average score of at least 85% on audits and mystery clients at your Franchised Business over the last three years of the term.
(d) Termination by franchisee	XXIII.C	If we breach the Franchise Agreement and an arbitrator determines that we did not cure the breach default after receipt of notice from you.
(e) Termination by franchisor without cause	XXIII.B	None
(f) Termination by franchisor with cause	XXIII.A	We may terminate your franchise only if you or one of your Principals commit one of several violations.
(g) "Cause" defined – curable defaults	XXIII.A	You have 72 hours upon receipt of notification to cure health, safety, or sanitation law violations; 10 days upon receipt of notification to cure defaults including failure to maintain required insurance.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(h) "Cause" defined – non- curable defaults	XXIII.B	Non-curable defaults include: misrepresentation in acquiring the franchise; failure to sign the lease for an office site within nine months after opening the Franchised Business (if not permitted by us to operate at a home office); failure to complete training; abandonment; unapproved transfers; conviction of a felony; dishonest or unethical conduct; unauthorized use or disclosure of the Manual or other confidential information; failure to pay taxes; understating Gross Income; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; and violation of any anti-terrorism law.
(i) Franchisee's obligations on termination/ nonrenewal	XXIV	Obligations include paying outstanding amounts; complete de-identification; assigning telephone and other numbers; and returning confidential information (also see (o) and (r) below).
(j) Assignment of contract by franchisor	XXII.B	No restriction on our right to assign; we may assign without your approval.
(k) "Transfer" by franchisee –definition	XXII.A	Includes transfer of Franchise Agreement, the Franchised Business (or its profits, losses or capital appreciation), or the Franchised Business's assets, and ownership change in you or of your Principals.
(l) Franchisor approval of transfer by franchisee	XXII.A	No transfer without our prior written consent.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(m) Conditions for franchisor approval of transfer	XXII.A	Transferee qualifies; you pay us, our Affiliate, and third party vendors all amounts due and submit all required report; no default during 60-day period before transfer request or during period between request and transfer's proposed effective date; transferee (and its owners and affiliates) are not in a competitive business; training completed; lease transferred; you or transferee signs our then-current franchise agreement, which may contain terms and provisions that are materially different from the Franchise Agreement, and other documents; transfer fee paid; you sign release (subject to applicable state law); we approve material terms; you subordinate amounts due to you; you de-identify; you correct existing deficiencies in the Franchised Business of which we notify you on punch list; and transferee agrees to upgrade and remodel the Franchised Business within specified timeframe after transfer (also see (r) below).
(n) Franchisor's right of first refusal to acquire franchisee's business	XXII.D	We may match any offer for your Franchised Business or an ownership interest in you.
(o) Franchisor's option to purchase franchisee's business	XII.A	We may purchase the equipment, or any or all of the assets of your Franchised Business at the then-current book value after the Franchise Agreement is terminated or expires (without renewal)
(p) Death or disability of franchisee	XXII.C	Assignment of franchise, of an ownership interest in you or to effect change in your Principals to approved party within six months after mental or physical incapacity; or within 12 months of death; we may manage the Franchised Business if there is no qualified manager.
(q) Non-competition covenants during the term of the franchise	XIX.B	No diverting business; no ownership interest in, or performing services for a competitive business anywhere ("competitive business" means any business that derives more than 5% of its revenue from selling elder care advisory services, or any business granting franchises or licenses to others to operate such a business.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(r) Non-competition covenants after the term of the franchise	XIX.B	No diverting business; no ownership interest in, or performing services for a competitive business for two years at the Franchised Business premises and within 50 miles of any said premises or any other My Elder® Business existing or under construction as of date the Franchise Agreement expires or is terminated (same restrictions apply after transfer).
(s) Modification of the agreement	XXV.N	No modifications of Franchise Agreement generally, but we may change the Manual and System Standards.
(t) Integration/merger clause	XXV.J	Only the terms of Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Franchise Agreement or this disclosure document may not be enforceable.
(u) Dispute resolution by arbitration or mediation	XXV.D	All disputes must be resolved by arbitration in Hudson County, New Jersey (subject to applicable state law)
(v) Choice of forum	XXV.G	Disputes will be arbitrated under the auspices of the American Arbitration Association in Hudson County, New Jersey (subject to applicable state law). Subject to the arbitration requirement; litigation generally must be in the courts in Hudson County, New Jersey (subject to applicable state law).
(w) Choice of Law	XXV.G	Except for the Federal Arbitration Act and other federal law, and actions regarding the enforcement of the restrictive covenants contained in the Franchise Agreement, New Jersey law governs (subject to applicable state law).

Item 18

PUBLIC FIGURES

We do not use any public figure to promote the Franchise.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance

information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

As of our last fiscal year end, there were three affiliate-owned My Elder outlets and three franchisee-owned My Elder outlets. The tables below provide the historical gross sales achieved by the three Businesses owned and operated by our Affiliate and two Businesses owned and operated by our franchisees. We have excluded the results for one franchisee owned Business because the Business is operated on a part-time basis and was not operating for the full twelve months of 2019.

Some locations have earned these amounts. Your individual results may differ. There is no assurance that you'll earn as much.

**Affiliate Owned My Elder Businesses
2019 Gross Sales**

Affiliate	2019	Year Opened
My Elder Advocate LLC - Unit 1	\$266,524	2008
My Elder Advocate LLC - Unit 2	\$55,000	2017
My Elder Advocate LLC - Unit 3	\$35,000	2017

**Franchisee Owned My Elder Businesses
2019 Gross Sales**

Franchisee	2019	Year Opened
Lifesources Inc. - Unit 1	\$120,000	2016
Lifesources Inc. - Unit 2	\$55,000	2018

“Gross Sales” means the total selling price of all services and products and all income of every other kind and nature related to the location, whether for cash or credit and regardless of collection in the case of credit. If a cash shortage occurs, the amount of Gross Sales will be determined based on the records of the point of sale system and any cash shortage will not be considered in the determination. Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments. Your gross sales may vary significantly depending on a number of factors, including the location of your My Elder franchise and how you operate your business.

We expect that franchised My Elder locations will offer the same products and services as these locations offer. If your location differs significantly from these locations, these results may not be relatable to your location. You should conduct an independent investigation of the costs and expenses you will incur

in operating a My Elder location. We will provide written substantiation for the data we used to prepare this financial performance representation upon your reasonable request.

Other than the preceding financial performance representation, DHH Group, Inc. 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 Claudine Halpern at 344 Grove Street, Suite 210, Jersey City, New Jersey, 07302, or 877-299-7502, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For years 2017 to 2019*

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	2017	2	4	+2
	2018	4	5	+1
	2019	5	3	-2
Company- Owned**	2017	1	1	0
	2018	1	1	0
	2019	1	3	+2
Total Outlets	2017	3	5	+2
	2018	5	6	+1
	2019	6	6	0

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2017 to 2019*

Column 1	Column 2	Column 3
State	Year	Number of Transfers
None	2017	0
	2018	0
	2019	0
Total	2017	0
	2018	0
	2019	0

Table No. 3
Status of Franchised Outlets
For years 2017 to 2019*

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina tions	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations – Other Reasons	Col. 9 Outlets at End of Year
NY	2017	2	2	1	0	0	0	3
	2018	3	1	0	0	0	0	4
	2019	4	0	0	0	2	0	2
PA	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Total	2017	2	3	1	0	0	0	4
	2018	4	1	0	0	0	0	5
	2019	5	0	0	0	2	0	3

Table No. 4
Status of Company-Owned Outlets**
For years 2017 to 2019*

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold To Franchisees	Col. 8 Outlets at End of Year
New York	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	2	0	0	3
Total	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	2	0	0	3

Table No. 5
Projected openings as of December 31, 2019

Column 1. State	Column 2 Franchise Agreements Signed But Outlets 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
New Jersey	0	2	0
New York	0	2	0
Total	0	4	0

*Our predecessor owned and operated the MyElder® System from February 2014 through December 2019.

**The Company-Owned outlets in the above tables are owned by our Affiliate.

A list of the names of all franchisees and the addresses and telephones numbers of their franchises is provided in Exhibit E to this disclosure document.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit E to this disclosure document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us.

At this time My Elder® does not have an Advisory Council. If and when an advisory council is formed, we will sponsor it, but its members will be elected by franchisees. The contact information will be provided at that time.

Item 21
FINANCIAL STATEMENTS

Exhibit C contains our predecessor's audited financial statements for the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, and our audited financial statements through March 31, 2020.

Our fiscal year end is December 31.

Item 22
CONTRACTS

Attached to this disclosure document are the following agreements annexed as Exhibits:

- Franchise Agreement (with attachments) – Exhibit B
- Release – Exhibit G

Item 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document. Please keep one Receipt for your records and return the other one to us.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws and for service of process. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, DHH Group has not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which DHH Group has appointed an agent for service of process.

There may also be additional agents appointed in some of the states listed.

<u>CALIFORNIA</u> Department of Business Oversight: 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll Free (866) 275-2677 Agent: California Commissioner of Business Oversight 1515 K Street, Suite 200 Sacramento, CA 95814 (916) 445-7205 1350 Front Street San Diego, CA 92101 (619) 525-4233 1 Sansome Street, Suite 600 San Francisco, CA 94104 (415) 972-8559	<u>CONNECTICUT</u> State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230 Agent: Banking Commissioner
<u>HAWAII</u> (state administrator) Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 (agent for service of process) Commissioner of Securities State of Hawaii 335 Merchant Street Honolulu, Hawaii 96813 (808) 586-2722	<u>ILLINOIS</u> Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465

<u>INDIANA</u> (state administrator) Indiana Secretary of State Securities Division, E-111 302 Washington Street Indianapolis, Indiana 46204 (317) 232-6681 (agent for service of process) Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531	<u>MARYLAND</u> (state administrator) Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360 (for service of process) Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
<u>MICHIGAN</u> (state administrator) Consumer Protection Division Franchise Section Michigan Department of Attorney General 525 W. Ottawa Street, 1st Floor Lansing, Michigan 48933 (517)335-7567 (for service of process) Corporations Division Bureau of Commercial Services Department of Labor and Economic Growth P.O. Box 30054 Lansing, Michigan 48909	<u>MINNESOTA</u> (state administrator) Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 359-1600 (for service of process) Minnesota Commissioner of Commerce
<u>NEW YORK</u> (Administrator) NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8236 Phone (212) 416-6042 Fax (Agent for Service) Attention: NY Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492	<u>NORTH DAKOTA</u> North Dakota Securities Department State Capitol, Fifth Floor, Dept. 414 600 East Boulevard Avenue Bismarck, North Dakota 58505 (701) 328-4712

<u>OREGON</u> Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent: Director of the Department of Consumer and Business Services	<u>RHODE ISLAND</u> Division of Securities Rhode Island Dept. of Business Regulation John O. Pastore Complex – Bldg. 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9500
<u>SOUTH DAKOTA</u> Division of Insurance Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	<u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 (for service of process) Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
<u>WASHINGTON</u> (state administrator) Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902-8760 (for service of process) Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501	<u>WISCONSIN</u> (state administrator) Division of Securities Department of Financial Institutions 201 W. Washington Ave., 3rd Floor Madison, Wisconsin 53703 (608) 266-1064 (for service of process) Administrator, Division of Securities Department of Financial Institutions 201 W. Washington Ave., 3rd Floor Madison, Wisconsin 53703

EXHIBIT B TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT



DHH Group, Inc.
A New Jersey Corporation
344 Grove Street, Suite 210
Jersey City, New Jersey 07302
Phone: 877-299-7502/Fax: 212-202-4825
chalpern@MyElder.com
www.MyElder.com

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ATTACHMENTS

- 1 – SPOUSAL GUARANTY
- 2 – ACCEPTED LOCATION/DEFINED TERRITORY AND MAP
- 3 – CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
- 4 – FRANCHISEE ACKNOWLEDGMENT STATEMENT
- 5 – ELECTRONIC DEPOSITORY TRANSFER ACCOUNT AGREEMENT
- 6 – COLLATERAL ASSIGNMENT OF LEASE

DHH Group, Inc.
FRANCHISE AGREEMENT

PARTIES

THIS AGREEMENT, entered into on _____, by and between the franchisor DHH Group, Inc., a New Jersey corporation, with its principal address at 344 Grove Street, Suite 210, Jersey City, New Jersey, 07302 (herein referred to as “we”, “us”, “our”, or Franchisor) and _____, a(n) _____ whose principal address is _____, and _____’s principal(s) _____, an individual residing at _____, and _____, an individual residing at _____ (“Principal(s)”), who will act as the franchisee under this Agreement. _____ and Principal(s) shall be collectively referred to in this Agreement as “you” or “your” or “Franchisee”.

RECITALS

WHEREAS, Franchisor has developed, operates and has the right to license a system or business program, including expertise for conducting and operating a business under the mark My Elder that offers elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder advocacy using the needs assessments as a tool to support preventing elder housing evictions, elder placement services, elder care crisis management, elder care home care planning, elder care long term care planning, elder care monitoring, preventing elder abuse and neglect, long distance caregiving and long-term care insurance. Franchisees are paid by the clients and therefore are not responsible for communication with insurance companies for remuneration; and

WHEREAS, Franchisor has entered into an exclusive license with the owner(s) of the Trademarks (the “License Agreement”) to use certain trade names, trademarks, logos, service marks, and other property in connection with the operation of business and has developed expertise (including confidential information) and a unique, distinctive and comprehensive system (the “System”) for the establishment and operation of a franchised business offering; My Elder for the promotion and identification of the mark(s), Trademarks and stylized logo for the sale of products and services at My Elder locations and other locations at the discretion of the licensee My Elder (hereinafter referred to as a “Franchise Location” or “Business”); and

WHEREAS, Franchisor identifies the System by means of certain trade names, service marks, trademarks, logos, emblems, trade dress and other indicia of origin, including, but not limited to the mark My Elder and such, other trade names, service marks, trademark and trade dress as are now designated (and may be hereafter be designated by Franchisor in writing) for use in connections with its System (the “Names and Marks”); and

WHEREAS, Franchisor has devised a uniform system for the establishment and operation of My Elder consulting firms, including a distinctive exterior and interior design, trade dress décor and color scheme; uniform standards, specifications, and procedures for operations; procedures for quality control; training and ongoing operational assistance; advertising and promotional programs; and other related benefits for use of Franchisee under the Names and Marks, all of which may be changed, improved, and further developed by Franchisor from time to time; and

WHEREAS, Franchisor continues to develop, use, and control the use of such Names and Marks to identify for the public the source of services and products marketed there under and under its System, and to represent the System’s high standards of consistent quality, appearance, and service.

WHEREAS, Franchisor has established substantial goodwill and business value in its Names and Marks, expertise and System; and

WHEREAS, Franchisee desires to obtain a franchise from Franchisor for the right to use the Names and Marks and the expertise for operating a My Elder Consulting Firm and to obtain the benefits and knowledge of Franchisor's System including, but without limitation, as detailed in our Manual; business design, operating methods, product preparation, advertising, sales techniques and materials, signs, personnel management, control systems, bookkeeping and accounting methods, and in general a style, method and procedure of business operation utilizing the Names and Marks as a Franchisee of Franchisor; and

WHEREAS, Franchisee recognizes the benefits to be derived from being identified with and licensed by Franchisor, and Franchisee understands and acknowledges the importance of Franchisor's high standards of quality, cleanliness, appearance, and service, and the necessity of operating the Business in conformity with Franchisor's standards and specifications.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

I. FRANCHISEE'S ACKNOWLEDGEMENT OF BUSINESS RISK AND ABSENCE OF GUARANTEE

Franchisee hereby represents that he or she has conducted an independent investigation of the Franchisor's business and System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will depend upon Franchisee's abilities as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.

II. FRANCHISEE'S ACKNOWLEDGEMENTS CONCERNING RECEIPT AND THOROUGH EVALUATION OF AGREEMENT

Franchisee acknowledges having received, read, and understood this Agreement, including the Uniform Franchise Disclosure Document and exhibits thereto. Franchisee further acknowledges that Franchisor has accorded Franchisee ample time and opportunity to consult with independent legal counsel and other advisors of its own choosing concerning the potential benefits and risks of entering into this Agreement. Franchisee further acknowledges that it has received the disclosure document required by the Trade Regulation Rule of the Federal Trade Commission, entitled, "Information for Prospective Franchisees Required by The Federal Trade Commission", at least fourteen (14) days prior to the date on which this Agreement was executed. Franchisee acknowledges that it has received a completed copy of this Agreement, attachments referred to herein and agreements relating hereto, if any, at least seven (7) days prior to the date on which this Agreement was executed if the document has been modified in favor of the Franchisor after initial disclosure.

Franchisee acknowledges that Franchisee has read and understands this Agreement, the attachments hereto, and any agreements relating thereto, and that Franchisee has been advised by a representative of Franchisor to consult with an attorney or advisor of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement prior to its execution.

Franchisee acknowledges that any statements, oral or written, by Franchisor or its agents preceding the execution of this Agreement were for informational purposes only and do not constitute any representation or warranty by Franchisor. The only representations, warranties and obligations of Franchisor are those specifically set forth in the Franchise Disclosure Document and this Agreement. In entering into this Agreement and purchasing a Franchise, Franchisee is not relying on, and the parties do not intend to be bound by, any statement or representation not contained therein.

Franchisee acknowledges that Franchisor will not provide or designate locations for Franchisee, will not provide any financial assistance to Franchisee, and has made no representation that it will buy back from Franchisee any products, supplies or equipment purchased by Franchisee in connection with the Business.

III. ACTUAL, AVERAGE, PROJECTED OR FORECASTED FRANCHISE SALES, PROFITS OR EARNINGS

Franchisor does not make or present and has not prepared “Earning Claims” or “Financial Performance Representations” and has not made them as an exhibit to the Uniform Franchise Disclosure Document. Earnings claims located in the Uniform Franchise Disclosure Document are the only statement of sales, profits or earnings that the Franchisee should rely upon.

Franchisee acknowledges that Franchisor, itself or through any officer, director, employee or agent, has not made, and Franchisee has not received or relied upon, any oral or written, visual, express or implied information, representations, assurances, warranties, guarantees, inducements, promises or agreements concerning the actual, average, projected or forecasted franchise sales, revenues, profits, earnings or likelihood of success that Franchisee might expect to achieve from operating the Business, except as set forth in the Franchise Disclosure Document reviewed by Franchisee or its representatives.

IV. INDEPENDENT CONTRACTOR

Franchisee understands and agrees that it is and will be Franchisor’s independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of Franchisee’s employees will be considered to be our employees. Neither Franchisee nor any of Franchisee’s employees whose compensation Franchisee pays may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor’s employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Franchisor will not have the power to hire or fire Franchisee’s employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor’s authority under this Agreement to certify certain of Franchisee’s employees for qualification to perform certain functions for Franchisee’s Business does not directly or indirectly vest in Franchisor the power to hire, fire or control any such employee.

Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee alone will exercise day-to-day control over all operations, activities and elements of its Business and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in Franchisor’s Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of Franchisee’s Business, which Franchisee alone controls, but only constitutes standards Franchisee must adhere to when exercising its control of the day-to-day operations of its Business.

Franchisee may not, without Franchisor's prior written approval, have any power to obligate Franchisor for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, Franchisor may not control or have access to Franchisee's funds or the expenditure of Franchisee's funds or in any other way exercise dominion or control over Franchisee's Business. Except as otherwise expressly authorized by this agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between the parties is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Franchisee's operation of the Business.

A. Sole and Exclusive Employer of Own Employees

Franchisee hereby irrevocably affirms, attests and covenants its understanding that its employees are employed exclusively by itself and in no fashion are any such employees employed, jointly employed or co-employed by Franchisor. Franchisee further affirms and attests that each of its employees is under the exclusive dominion and control of itself and never under the direct or indirect control of Franchisor in any fashion whatsoever. Franchisee alone hires each of its employees; sets their schedules; establishes their compensation rates; and, pays all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums). Franchisee alone has the ability to discipline or terminate its employees to the exclusion of Franchisor, which has no such authority or ability. Franchisee further attests and affirms that any minimum staffing requirements established by Franchisor are solely for the purpose of ensuring that Franchisee's Business is at all times staffed at those levels necessary to operate its Business in conformity with the System and the products, services, standards of quality and efficiency, and other brand attributes known to and desired by the consuming public and associated with the Names and Marks. Franchisee affirms, warrants and understands that it may staff its Business with as many employees as it desires at any time so long as Franchisor's minimal staffing levels are achieved. Franchisee also affirms and attests that any recommendations it may receive from Franchisor regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist it to efficiently operate its Business, and that Franchisee is entirely free to disregard Franchisor's recommendations regarding such employee compensation. Moreover, Franchisee affirms and attests that any training provided by Franchisor for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems and operations of a Business and in no fashion reflects any employment relationship between Franchisor and such employees. Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agrees to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on Franchisor's behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of its employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with its appearing at any such venue.

B. No Authority

Franchisee understands and agrees that nothing in this Agreement authorizes it or any of the Principals to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of any such action, or for any act or omission of Franchisee or any Principal or any claim or judgment arising therefrom.

V. FRANCHISE GRANT

Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained and subject to the License Agreement, the right, license, and privilege, and Franchisee hereby accepts a franchise (the "Franchise") under the terms and conditions set forth herein for the right to operate a Business at the Location set forth in Attachment 2 (the "Accepted Location"), with the non-exclusive right to use solely in connection therewith Franchisor's Names and Marks, advertising and merchandising methods, and System, as they may be changed, improved and further developed from time to time only at the Accepted Location as set forth in Attachment 2, and provided Franchisee adheres to all of the terms and conditions hereof. It is understood and agreed that, except as expressly provided herein, this Franchise is non-exclusive and includes no right of Franchisee to sub-franchise.

VI. ACCEPTED LOCATION; DEFINED TERRITORY

A. Accepted Location

The Business shall be located in the State, county(ies), and Designated Marketing Area as specified by Arbitron, and the exact address of the Accepted Location, shall be as described in Attachment 2 hereto.

If the Accepted Location has not been determined prior to the signing of this Agreement, by the parties, then it shall be entered at a later date, under the terms of this Agreement. Franchisee shall not relocate the business without the express prior written consent of Franchisor. During the term of this Agreement, the Accepted Location shall be used exclusively for the purpose of operating a franchised My Elder Consulting Firm.

B. Defined Territory

You will receive a defined territory ("Territory") consisting of a minimum population of 250,000 households, within a particular Designated Market Area (DMA) as defined by Nielsen/Arbitron, and to be adjusted by Franchisor at the awarding of the franchise.

Your Territory is described on Attachment 2. So long as this Agreement is in force and effect and you remain in full compliance with the terms thereof, we will not license or establish another My Elder Consulting Firm to conduct business at a location located within the Territory.

VII. TERM AND RENEWAL OF AGREEMENT

A. Term

The Franchise herein granted shall be for a term of ten (10) years from the date of execution and acceptance (the "Effective Date") of this Franchise Agreement (the "Agreement") by Franchisor and subject to earlier termination as herein provided.

B. Renewal

Provided that Franchisee has complied with all the terms and conditions of this Agreement during the term and remains in full compliance with the provisions of this Agreement at the end of the term, Franchisee may renew the Franchise granted by this Agreement for two (2) additional periods of ten (10) years each, if Franchisor is still offering franchises at that time subject to the following conditions, all of which must be met prior to renewal:

1. Franchisee shall give Franchisor written notice of its election to renew not less than one hundred twenty (120) days prior to the end of the then current term;
2. Franchisee must not be in default under any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisor and Franchisee, and Franchisee shall have complied with all the terms and conditions of all such agreements during the terms thereof;
3. Franchisee shall complete to Franchisor's satisfaction such maintenance and renovation of the Business as Franchisor may require in writing;
4. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its affiliate, and shall have timely met these obligations throughout the current term;
5. Franchisee shall execute, before the renewal term, Franchisor's then-current form of Agreement, which agreement shall supersede this Agreement in all respects, and the terms of which may materially differ from the terms of this Agreement.
6. Franchisee shall pay Franchisor a renewal fee of twenty-five (25%) of our then-current initial franchise fee at the time of renewal.
7. Franchisee shall comply with Franchisor's then-current qualification and training requirements; and
8. Franchisee must execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliate, and their respective officers, directors, agents and employees, provided that such release is not in conflict with any applicable local, state or federal laws.

VIII. FRANCHISEE'S INITIAL INVESTMENT

Franchisee's initial investment will vary depending upon the size of the Business, its geographical location, leasehold improvements required, the number of Businesses to be opened selected by Franchisee, and other factors.

Franchisee hereby certifies that he, she or it has reviewed the above-estimated start-up costs as detailed in the franchise disclosure document and has sufficient cash resources available to meet said expenses. These start-up costs are in addition to the initial franchise fee.

IX. INITIAL FRANCHISE FEE; TIME LIMIT FOR APPROVING FRANCHISEE; TIME LIMIT FOR STARTING BUSINESS; COOPERATION; LEASE; USE OF PREMISES

A. Initial Franchise Fee

Franchisee shall pay an initial franchise fee in the amount of Fifty-Nine Thousand Five Hundred Dollars (\$59,500) which shall be paid in a lump sum upon execution of the Franchise Agreement for one (1) My Elder Franchise, and receipt of which is hereby acknowledged by DHH Group, Inc.

The initial franchise fee shall be paid in U.S. funds and shall be deemed fully earned and nonrefundable in consideration of administrative and other expenses incurred by Franchisor in granting this franchise and for Franchisor's lost or deferred opportunity to franchise others, except as described below in Section IX.B.

B. Refundability of Initial Franchise Fee

If Franchisor determines Franchisee or a Principal cannot complete the My Elder training program to Franchisor's satisfaction or if Franchisee is not able to secure the business permits or licenses for the Business within sixty (60) days, the Franchise Agreement may be terminated and Franchisor shall retain two thirds (2/3) of the initial franchise fee and shall refund the remaining one third (1/3) to Franchisee.

C. Time Limit for Starting Business

Franchisee shall complete the remodel of the Business at the Accepted Location in accordance with the provisions and requirements of Section XII hereof (the "Construction") and shall obtain all necessary business permits and licenses required, and shall obtain all required industry-specific licenses and/or certifications, and open the Franchise for business within sixty (60) days of the date of acceptance of this Franchise Agreement (the "Opening Date") assuming that you are starting your Business from a home office; provided, however, that Franchisee shall have the right to substitute a different site, if such different site is acceptable to Franchisor, within fifteen (15) days of execution of this Agreement, or if Franchisee is unable to obtain all necessary business permits and licenses and obtain industry-specific licenses and/or certifications for the Accepted Location as a result of causes beyond the reasonable control of Franchisee. Franchisor may grant Franchisee one (1) thirty (30) day extension within which to open the Business. Franchisee must submit documentation of the status of the application(s) ten (10) days prior to the date of the thirty (30) day extension request. Upon the grant of such extension(s) by Franchisor the Opening Date will be commensurately extended.

Should Franchisee be unable to obtain all necessary business permits and licenses, and all required industry-specific licenses and/or certifications during the stated period and extension time period or periods as a result of causes beyond the reasonable control of Franchisee (unless the requirement for the issuance of such permits, licenses and/or certifications is waived in writing by Franchisor), this Agreement shall be deemed terminated upon written notice from either Franchisee or Franchisor to the other, without the necessity of further action by either party or further documentation. Upon such termination, Franchisor shall retain two-thirds (2/3) of the initial franchise fee, and one-third (1/3) of the initial franchise fee will be refunded to Franchisee within thirty (30) days of the notice of termination of this Agreement.

D. Cooperation Required

Franchisee shall cooperate reasonably with Franchisor to ensure that the various actions occur which are necessary to obtain acceptance by Franchisor of the Business location. In particular, Franchisee

shall furnish any pertinent information as may be reasonably requested by Franchisor regarding Franchisee's business and finances.

E. Lease

The lease for the Accepted Location must include all provisions required by Franchisor, including Franchisor's right to the occupancy of the Business site if the Franchise is terminated or not renewed, or if Franchisee loses possession because of its default under the Lease.

F. Use of Premises

During the term of this Agreement, the Accepted Location shall be used exclusively for the purpose of operating the Business. However, you may operate from a home-based office for the first nine (9) months of operations, unless we permit you to continue to operate from a home-based office. If you operate from a home-based office, you must maintain your files and information in a locked and secure location.

X. OTHER FEES; ADVERTISING AND REFERRAL FEES, AND NETWORKING COSTS

A. Royalty Fee

In addition to the initial franchise fee described in Section IX above, Franchisee shall pay Franchisor a monthly Royalty from all transactions in an amount equal to eight percent (8%) of the Business' monthly Gross Income. Regardless of what day of the month you open the Business, the last day of such month will signify the end of the first month, and subsequent months will begin on the first day of each month and end on the last day of each month.

As used in this Agreement, "Gross Income" shall include all revenue earned and/or received from the performance of all services and sale of all products in, at, upon, about, through or from the Business and every kind and nature related to the Business, whether for cash or credit and regardless of collection in the case of credit, including insurance proceeds and/or condemnation awards for loss of sales, profits or business; provided, however, that "Gross Income" shall not include revenues from any sales taxes or other add on taxes collected from clients by Franchisee for transmittal to the appropriate taxing authority (the retail value of any complimentary services or trade-outs or credit card discounts from Gross Income up to a maximum of two percent (2%) of Gross Income in the aggregate), and the amount of cash refunds to, and coupons used by clients, provided such amounts have been included in gross income. The sale and delivery of products and services from any location other than the Business premises shall be by written approval of Franchisor only. Should Franchisor agree to allow such sales in writing, these sales will be included in computing Gross Income.

The Royalty from all transactions shall be payable by Franchisee and must be actually received by the Franchisor by the 10th day of each month, based upon the Gross Income of the prior month. Each monthly payment shall be based upon the Gross Income actually received by Franchisee during the prior month. Franchisee's obligations under this Section X.A shall survive the expiration or any termination of this Agreement for so long as Franchisee continues to receive Gross Income earned during the term of this Agreement.

Any payment or report not actually received by Franchisor on or before the specified date shall be deemed overdue. If any payment is overdue, in addition to the right to exercise all rights and remedies available to Franchisor under this Agreement, Franchisee shall pay Franchisor, in addition to the overdue amount, interest on such amount from the date it was due until paid at the greater of the rate of One Hundred Dollars (\$100) per incident plus one and one-half percent (1½%) interest per month, on such amount from

the date it was due until paid, or the maximum rate allowed by the laws of the State in which Franchisee's business is located or any successor or substitute law, until paid in full (the "Default Rate").

B. Marketing Fund

In the event that Franchisor establishes a national advertising program ("Program") as Franchisor, in its sole discretion, may deem appropriate, to promote the Mark My Elder (the "Fund"), Franchisee shall contribute up to two percent (2%) of Gross Income to the Fund, as required by Franchisor, on a monthly basis. The monthly contributions are payable by Franchisee and must be actually received by Franchisor by the 25th day of each month, based upon the Gross Income of the prior month, ending the last day of each month. Franchisor will direct all such Programs, and will have sole discretion over the creative concepts, materials, and endorsements and media used in such Programs, and the placement or allocation of such programs. Franchisor shall also determine in its sole discretion, the composition of all geographic territories and market areas for the implementation and development of such Programs. Franchisee acknowledges and agrees that Franchisor undertakes no obligation in administering the Advertising Funds to make expenditures for Franchisee which are equivalent or are proportionate to its contribution, or to ensure that Franchisee benefits directly or pro-rata from advertising or promotion conducted under the Fund, or to place any advertising in the Territory.

C. Local Advertising Plan and Expenditures

During the term of this Agreement, Franchisee shall spend One Thousand Dollars (\$1,000) or four percent (4%) of the Gross Income of the Business, whichever is greater, on local advertising and promotion each month; provided, however, that Franchisor shall have the right to accept or reject any advertising proposed by Franchisee, and all Internet marketing and/or advertising of the Business shall be conducted by Franchisor or at Franchisor's direction. Franchisee shall submit to Franchisor an accounting of local advertising and promotional expenditures as described above by the 25th day of each month.

Franchisee shall not advertise the Business in connection with any other business, except with Franchisor's prior written approval, and Franchisee shall not utilize Internet marketing or advertising without Franchisor's prior written approval. Franchisee shall obtain Franchisor's prior acceptance of all advertising and promotional plans and materials that Franchisee desires to use within three (3) days of our receipt of time sensitive publications, such as newspaper and press releases, fourteen (14) days of our receipt of monthly publications and coupons, and thirty (30) days of our receipt of exterior signage and banners before the start of such plans. Franchisee shall submit such proposed plans and materials to Franchisor (by personal delivery or through the mail, return receipt requested). Franchisee shall not use such plans or materials until they have been accepted by Franchisor and shall promptly discontinue use of any advertising or promotional plans and material upon the request of Franchisor. Any plans or materials submitted by Franchisee to Franchisor which have not been accepted or rejected in writing within three (3) days of our receipt of time sensitive publications, such as newspaper and press releases, fourteen (14) days of our receipt of monthly publications and coupons, and thirty (30) days of our receipt of exterior signage and banners, shall be deemed accepted. You may not use any advertising, promotional, or marketing materials that we have not accepted or have rejected.

D. Grand Opening Campaign Expenditures

Franchisee shall expend a minimum of Three Thousand Five Hundred Dollars (\$3,500) for advertising and promotional services prior to or during the first three (3) months of operation of the Business as described in the Manual. This includes a required payment to Franchisor of Two Thousand Five Hundred Dollars (\$2,500) for the marketing packet, which contains two (2) sets of one thousand (1,000) branded business cards, branded letterhead art ready to personalize, branded brochure art and contents ready to

personalize, and blog content to personalize. Franchisor shall approve the preparation and placement of such advertising and promotional services. Franchisee's grand opening campaign must include a virtual campaign. The virtual campaign must include, but is not limited to, posts and/or ads placed in Facebook, Twitter, LinkedIn, and Google Places, as described in the Pre-Opening Manual.

Franchisee shall also attend networking events at minimum four (4) times a week for the grand opening campaign period.

E. Networking Costs

Franchisee must attend networking events per franchised consulting firm as follows: four (4) times a week for the first six (6) months of operation; two (2) times a week ongoing months seven (7) to eighteen (18); and beginning month nineteen (19) at Franchisor's discretion only (upon review) Franchisor will determine the frequency of networking events, and Franchisee shall provide Franchisor with a report evidencing the attendance at such events.

XI. FINANCING ARRANGEMENTS

Franchisee hereby acknowledges that financing is the Franchisee's sole responsibility. Franchisor does not finance or guarantee the obligations of Franchisee. The initial franchise fee is due and payable upon execution of this Agreement and as set forth in Section IX.A of this Agreement.

XII. GENERAL OBLIGATIONS OF FRANCHISEE

A. Follow Operations Manual and Directives of Franchisor

Franchisee agrees that use of Franchisor's System and adherence to the Operations Manual (the "Manual"), and to Franchisor's standardized design and specifications for decor of the Business and uniformity of equipment, layouts, signs, and other incidents of the Business, are essential to the image and goodwill of the System. Franchisee shall cooperate and assist Franchisor with any client or marketing research program which Franchisor may institute from time to time. Franchisee's cooperation and assistance shall include, but not be limited to, the distribution, display and collection of client comment cards, questionnaires, and similar items. In order to further protect the System and the goodwill associated therewith, Franchisee shall:

1. Operate the Business and use the Manual solely in the manner prescribed by Franchisor;
2. Keep the Manual at its place of business at all times;
3. Comply with such requirements respecting any service mark, trade name, trademark, or copyright protection and fictitious name registrations as Franchisor may, from time to time, direct;
4. Follow the methods of preparation, service, and presentation so as to conform to the specifications and standards of Franchisor in effect from time to time;
5. Use only such supplies, equipment, and products so as to conform to Franchisor's specifications in effect from time to time;
6. Sell from the Business all services and products specified by Franchisor and not sell or offer for sale any other services and products of any kind or character without first obtaining the express

approval of Franchisor, which shall be at the full discretion of Franchisor who shall have the sole right of decision in regards to all services and products to be sold in the Franchise Business. Franchisor shall have the right to not approve any services or product for any reason whatsoever or for no reason whatsoever.

7. Discontinue selling or offering for sale any elder care advisory services, or using any products Franchisor may, in its absolute discretion, delete from its standards and specifications for any reason whatsoever or for no reason whatsoever.

8. Utilize My Elder corporate advisors for all network services, including, but not limited to, long-term care insurance, financial planning, accounting services, senior movers and legal services. If there are local network service advisors in your area for any of the above-referenced services, those advisors must be approved by Franchisor. See the Manual for the process to request approval for local advisors.

9. Maintain in sufficient supply, and use at all times, only such products, materials, supplies, ingredients, methods of elder care advisory services, standards of cleanliness, and methods of service as conform to Franchisor's standards and specifications; and to refrain from deviating there from by using non-conforming items or methods without Franchisor's prior written consent.

10. Purchase such equipment, supplies, or products as may be required by Franchisor for the appropriate handling and selling of any services and/or products that become approved for offering in the System.

11. Require clean, business-appropriate attire, as described in the Manual, conforming to such specifications as to color, design, etc. as Franchisor may designate, from time to time, to be worn by all of Franchisee's employees at all times while in attendance at the Business, and to cause all employees to present a clean, neat appearance and render competent and courteous service to clients, as may be further detailed in the Manual.

12. Permit Franchisor or its agents, at any reasonable time, to remove from the Business samples of items without payment therefore, in amounts reasonably necessary for testing by Franchisor or an independent laboratory to determine whether said samples meet Franchisor's then-current standards and specifications. In addition to any other remedies it may have under this Agreement, Franchisor requires Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor, or if the sample fails to conform to Franchisor's specifications.

13. Not to install or permit to be installed on or about the Business premises, without Franchisor's prior written consent, any fixtures, furnishings, signage, equipment, or other improvements not previously approved as meeting Franchisor's standards and specifications.

14. Employ a sufficient number of employees and maintain sufficient inventories as necessary to operate the Business at its maximum capacity as prescribed or approved by Franchisor and to comply with all applicable Laws with respect to such employees.

15. Not engage in any trade practice or other activity or sell any product or literature which Franchisor determines to be harmful to the goodwill or to reflect unfavorably on the reputation of Franchisee, the Business, or the products sold thereat, or which constitutes deceptive or unfair competition, or otherwise is in violation of any applicable laws. The above limitations are closely related to the business image, purpose and marketing strategy of the System and, therefore, any change there from would fundamentally change the nature of the business.

B. Operate Franchised Business Only

Franchisee shall use the System and the Names and Marks provided to Franchisee by Franchisor for the operation of the Business and shall not use them in connection with any other line of business or any other activity. Neither Franchisee, nor any of its employees, may conduct any business at the Business other than that authorized pursuant to this Agreement, without the prior written approval of Franchisor. Neither Franchisee, nor any of its employees, may conduct any activity at the Business or in connection therewith which is illegal or which could result in damage to the Names and/or Marks or the reputation and goodwill of Franchisor.

C. Comply With Laws

Franchisee shall comply with all federal, state and local laws and regulations, and shall obtain and at all times maintain any and all permits, certificates, or licenses necessary for full and proper operation of the Business franchised under this Agreement. Franchisor's standards may exceed any and all of the requirements of said laws.

D. Maintain Confidentiality of Proprietary Information

Neither Franchisee nor any of its partners, officers, directors, agents, or employees shall, except as required in the performance of the duties contemplated by this Agreement, disclose or use at any time, whether during the terms of this Agreement or thereafter, any information disclosed to or known by Franchisee or any such person as a result of this Agreement. Such information includes, but shall not be limited to, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry about Franchisor's services, products, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising or selling.

E. Maintain and Renovate Business

Franchisee shall at all times maintain the Business in a clean, orderly condition and in first class repair and condition in accordance with all maintenance and operating standards set forth in the Manual. Franchisee shall make, at Franchisee's expense, all additions, repairs, replacements improvements and alterations that may be determined by Franchisor to be necessary so that the facilities which are viewed by the public will conform to the System's image, as may be prescribed by Franchisor from time to time. Franchisee shall undertake and complete such additions, repairs, replacements, improvements and alterations within the time and under the terms and conditions which may be reasonably specified by Franchisor.

At Franchisor's request, which shall not be more often than once every seven (7) years, Franchisee shall refurbish the Business at its expense, to conform to the building design, trade dress, color schemes, and presentation of trademarks and service marks consistent with My Elder designated image, including, without limitation, remodeling, redecoration, and modifications to existing improvements. The foregoing shall not apply to a home office operation.

F. Maintain Competent Staff

Franchisee shall maintain a fully trained competent staff capable of rendering courteous quality service in a manner in keeping with the standards set by Franchisor.

G. Open Business within Time Limit

Initially you may begin operating your Business out of a home-based office with certain qualifications, as determined by us after execution of this Agreement, but within nine (9) months of opening your Business, you must sign a lease for a commercial office location and relocate to that commercial office site unless you have obtained our advance written approval to continue to operate the Business from your home office. You shall obtain our approval of the commercial office site where you wish to locate your Business. Our approval to continue to operate out of a home office will be conditioned upon your maintaining the professional standards and goodwill of the System and may be retracted at any time if these standards are not being met.

You shall open the Business and commence operations within sixty (60) to one hundred twenty (120) days, plus one (1) fifteen (15) day extension, if granted, after execution of this Agreement. Time is of the essence. Prior to opening, you shall complete to our satisfaction all preparations of the Business, in accordance with specifications set forth in the Manual, and as required by local governmental agencies, including the installation of fixtures, furnishings, and equipment and the acquisition of supplies and inventory.

H. Operate Business in Strict Conformity to Requirements

Franchisee shall operate the Business in strict conformity with such standards, techniques, and procedures as Franchisor may from time to time prescribe in the Manual, or otherwise in writing, and shall not deviate there from without Franchisor's prior written consent. Franchisee further agrees to offer its clients all products and services which Franchisor may, from time to time, prescribe, to offer its clients only those products and services which meet Franchisor's standards of quality and which Franchisor has approved in writing to be offered in connection with the Business's operations, and to discontinue offering any products or services which Franchisor may, in its sole discretion, disapprove in writing at any time.

I. Use Approved Services and Products

1. Franchisee shall use in connection with the operation of the Business and offer, sell, and/or provide only such elder care advisory services and products which may, from time to time, be specified in writing, designated, and approved for sale by Franchisor.

2. Utilize My Elder corporate advisors for all network services, including, but not limited to, long-term care insurance, financial planning, accounting services, senior movers and legal services. If there are local network service advisors in your area for any of the above-referenced services, those advisors must be approved by My Elder corporate. See the Manual for the process to request approval for local advisors.

3. To ensure the consistent high quality and uniformity of elder care advisory services and/or products provided by My Elder Consulting Firms, Franchisee shall purchase all equipment, inventory, and other products and materials used in the operation of My Elder Consulting Firms as Franchisor may specify from time to time, solely from suppliers designated or approved by Franchisor. All suppliers must be designated or approved by Franchisor in writing and not thereafter disapproved. Unless Franchisor has designated an exclusive supplier for any service(s) or product(s), if Franchisee desires to purchase the items from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval. In approving any supplier, Franchisor may consider factors such as the supplier's financial strength, quality control, and capacity to supply Franchisee's needs promptly and reliably. Franchisor shall have the right to require, as a condition of its approval and review, that its representatives be permitted to research and review the proposed supplier and that the proposed service or product be delivered to Franchisor or its

designee for review and testing. The cost of such review and testing shall be paid by Franchisee or supplier, and Franchisor shall not be liable for damage to or for the return of any sample. Franchisor reserves the right to re-review the supplier, and to retest the service or product of any approved supplier, and to revoke any approval if the supplier fails to continue to meet Franchisor's high standards. Notwithstanding anything contained herein to the contrary, Franchisor may, in its sole discretion, require that any services, products and other items used in connection with the operation of the Business be purchased exclusively from Franchisor, its affiliate or designated suppliers or distributors.

J. Use Approved Equipment

In operating the Business, Franchisee shall install and maintain any and all: equipment, signage, furnishings, fixtures and products in accordance with the standards and specifications as recommended by Franchisor or that will continue to be recommended by Franchisor.

K. Full-Time Manager/Elder Advocate Required

Franchisee agrees to maintain at least one (1) fully trained, full-time Manager/Elder Advocate (which may be you), and other employees including competent, conscientious and trained staff, and to take such steps as are necessary to ensure that good client relations are preserved. As the business grows additional positions may be necessary, including, but not limited to, manager(s), Human Resource Specialist(s), Legal Consultant(s), Administrative Staff and Sale Person(s). Check with Franchisor for management/elder advocate and/or client representative requirements.

You must keep us informed via email at all times of the identity and personal contact information of all employees acting as managers and/or supervisors of the Business. Your managers and/or supervisors need not have an equity interest in the Business or you but must agree in writing to preserve confidential information to which they have access and not to compete with you, us, and other franchisees. We may regulate the form of agreement that you use and be a third-party beneficiary of that agreement with independent enforcement rights.

L. Use Approved Signage

Franchisee shall purchase or lease, subject to local building codes and regulations, such signs that provide maximum displays of the Names and Marks of Franchisor. Upon renewal of this Agreement, Franchisee shall be totally responsible for obtaining and equipping the Business with the signage that is approved for use by Franchisor at the time of the renewal of this Agreement. The color, size, design and location of said signs shall be as specified and/or approved by Franchisor. Franchisee shall not place additional signs, posters or other décor items in, on or about the Accepted Location without the prior written consent of Franchisor.

M. Wear Appropriate Business Attire

Franchisee requires its employees to wear appropriate business attire, as described in the Manual, while working at or for the Business and such business attire shall be of such design and color as Franchisor may prescribe from time to time, as set forth in the Manual.

N. Maintain Regular Business Hours

Franchisee shall keep the Business open and in normal operation during normal business hours for its geographical region, for five (5) days per week, fifty-two (52) weeks per year, with minimum hours of fifty (50) hours per week devoted to the Business, with opening time of 8:00 a.m. to 6:00 p.m. Monday

through Friday, except New Year's Day, Fourth of July and Christmas Day, unless otherwise authorized in writing by Franchisor (subject to local ordinances or lease restrictions, if any). Franchisee must maintain phone coverage hours by an answering service seven (7) days per week, fifty-two (52) weeks per year, with minimum hours of 8:00 a.m. to 8:00 p.m. daily Monday through Sunday. The answering service must be able to text or email Franchisee at time of call for a twelve (12) hour response time by Franchisee, unless after phone coverage hours, and then Franchisee must return call within twelve (12) hours of opening office. Franchisee must maintain emergency phone service by an answering service twenty-four (24) hours per day, seven (7) days per week, fifty-two (52) weeks per year, with a one (1) hour response time. Such minimum hours and days of operation may be changed as Franchisor may from time to time specify in the Manual.

O. Maintain Uniform Operating Standards

Franchisee understands and acknowledges that every detail of the design and operation of the Business is important to Franchisee, Franchisor and other franchisees in order to develop and maintain uniform operating standards, to increase the demand for the elder care advisory services and products sold by the Business under the System, and to protect Franchisor's reputation and goodwill.

P. No Vending Machines Without Franchisor Approval

Newspaper racks, beverage, gum, candy, or other vending machines may not be installed in or at the Business without the express written consent of Franchisor and only then in such manner as prescribed by Franchisor for all of its Franchisees.

Q. Telephone Number of Business

Franchisee understands and agrees that the telephone number(s) for the Business constitute a part of the System and is subject to the restrictions of this Agreement. Accordingly, Franchisee shall not change the telephone number(s) for the Business without prior notice and written approval by Franchisor. Franchisee shall advertise and publicize the telephone number(s) for the Business in the manner prescribed by Franchisor.

R. Disclose Discoveries and Ideas to Franchisor

Franchisee shall promptly disclose to Franchisor all discoveries, inventions or ideas, whether patentable or not, relating to Franchisor's business, which are conceived or made by Franchisee or any partner, officer, director, agent, or employee of Franchisee solely or jointly with others, during the term of this Agreement, whether or not Franchisor's facilities, materials, or personnel are utilized in the conception or making of such discoveries or ideas. Franchisee hereby acknowledges and agrees that all such discoveries, inventions or ideas are the exclusive property of Franchisor, and that Franchisor shall have no obligation to Franchisee with respect thereto. The purpose of this clause is to ensure that ideas for improvements to the System that may be generated by franchisees within the System will be distributed to the other franchisees as a benefit of belonging to the System.

S. Permit Franchisor to Enter Business

Franchisee shall permit Franchisor and its agents or representatives to enter the Business at any reasonable time for the purpose of conducting inspections, shall cooperate fully with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request, and, upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be deemed necessary to immediately correct any deficiencies detected during

such inspections. In the event Franchisee fails or refuses to correct immediately any deficiency detected during such inspection, Franchisor shall have the right to make or cause to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. The foregoing shall be in addition to any other remedies Franchisor may have pursuant to this Agreement. In the event Franchisee operates from a home-office, any visits by the Franchisor shall be by appointment only.

T. Corporation or Limited Liability Company Ownership

If Franchisee desires to operate the Business through a corporation, limited liability company or partnership solely for the convenience of ownership, Franchisee must obtain our prior written consent, which shall not be unreasonable withheld if:

1. Franchisee shall confine its activities to the establishment and operation of the Business.
2. Franchisee must get the proposed name for the Business approved by Franchisor.
3. Ownership of the corporation or limited liability company shall remain with the original Principals of this Agreement who shall maintain control and own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests in the same proportional interest as originally owned. Shareholder certificates or other documents representing ownership interests of such legal entity must be endorsed with a legend in form approved by Franchisor reciting that the transfer of interests in Franchisee are subject to the restrictions of this Agreement. Franchisee shall furnish Franchisor promptly upon request copies of Franchisee's Articles of Incorporation, Bylaws, and other governing documents, and any other documents Franchisor may reasonably request and any amendments thereto, from time to time.
4. Franchisee shall maintain a current list of all owners of record and beneficial owners of any class of voting stock of Franchisee and shall furnish such list to Franchisor upon request.
5. All Principals shall remain personally liable for the performance of all obligations under this Agreement and are not released from any obligation to Franchisor.
6. If Franchisee desires to become a partnership, Franchisee shall furnish Franchisor promptly upon request a copy of its partnership agreement and any other documents Franchisor may request, and any amendments thereto, from time to time.
7. The partners shall be the original Principals of this Agreement who each shall maintain control and own all of the interests in the partnership in the same proportion as originally owned. Franchisee shall maintain a current list of all general and limited partners and all owners of record of Franchisee and shall furnish the list to Franchisor promptly upon request, from time to time.
9. If any Principal of the newly formed entity or partnership is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty in the form attached as Attachment 1.

U. Site Selection

The Franchisee may initially operate the Business from a home-based office, however, Franchisee must sign a lease for and relocate the Business to a commercial office site within nine (9) months after

opening the Business, unless Franchisee has obtained the advance written approval of Franchisor to continue to operate the Business from the home-based office. The approval to continue to operate out of a home office by Franchisor will be conditioned upon Franchisee maintaining the professional standards and goodwill of the System and may be retracted at any time if these standards are not being met.

Franchisee assumes all costs, liability, expense, and responsibility for locating, obtaining, and developing a site for the Business to be established under the Franchise Agreement and for constructing and equipping the Business at such site. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to the Accepted Location for the Business unless such Accepted Location is accepted in accordance with the procedure herein set forth and which provides for, without limitation: (a) thirty (30) days prior written notice of any default thereunder which shall specify such default and includes the right (with no obligation) of Franchisor to cure any such default within said period; and (b) approval of the Franchisor as an assignee of Franchisee's interest thereunder.

FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR'S ACCEPTANCE OF A PROSPECTIVE SITE AND THE RENDERING OF ASSISTANCE IN THE SELECTION OF A SITE DOES NOT CONSTITUTE A REPRESENTATION, PROMISE, WARRANTY, OR GUARANTEE BY FRANCHISOR THAT A MY ELDER CONSULTING FIRM OPERATED AT THAT SITE WILL BE PROFITABLE OR OTHERWISE SUCCESSFUL.

Before commencing the Remodel of the Business, Franchisee, at its expense, shall comply, to Franchisor's satisfaction, with all of the following requirements:

1. Franchisee shall submit a floor plan and/or a site plan to Franchisor. Franchisee, at its option, may use any architect or engineer currently used by Franchisor to prepare detailed plans and specifications for the Remodel of the Business;
2. Franchisee shall use a qualified general contractor or construction supervisor to oversee the Remodel of the Business and completion of all improvements, and Franchisee shall submit to Franchisor a statement identifying the general contractor or construction supervisor; and
3. Franchisee shall obtain all licenses, permits and certifications required for lawful remodeling, and operation of the Business including, without limitation, building, zoning, access, parking, driveway access, sign permits and licenses, and shall certify in writing to Franchisor that all such permits, licenses and certifications have been obtained. Franchisee shall obtain all health, life safety, and other permits and licenses required for operation of the Business and shall certify that all such permits and licenses have been obtained prior to the Opening Date.
4. Franchisee shall cause such Remodel to be performed only in accordance with the floor plan and/or site plan, and plans and specifications, approved by Franchisor, and no changes will be made to said approved plans and specifications, or the design thereof, or any of the materials used therein, or to interior and exterior colors thereof, without the express written consent of Franchisor.

V. Training

Prior to Franchisee's opening of the Business to the public, Franchisee and/or up to two (2) management personnel of Franchisee, per consulting firm purchase, (or, if Franchisee is a corporation or limited liability company or partnership, a principal of Franchisee) shall complete, to Franchisor's satisfaction the management training program, including My Elder in-house certification, offered by Franchisor. At Franchisor's option, key personnel subsequently employed by Franchisee shall also complete to Franchisor's satisfaction, the management training program, including My Elder in-house

certification. Franchisor may, at its discretion, make available additional training programs or seminars, as well as refresher courses to Franchisee and/or Franchisee's designated individual(s), from time to time. Franchisor may, at any time, discontinue management training and decline to certify Franchisee and/or Franchisee's designated individual(s), who fail to demonstrate an understanding of the management training acceptable to Franchisor. If Franchisee or Franchisee's designated individual's management training is discontinued by Franchisor, Franchisee shall have thirty (30) days to present an alternative acceptable candidate for management training to Franchisor. If Franchisee's new candidate does not adequately complete the management training, then Franchisor shall have the option of terminating this Agreement. Franchisor shall provide instructors and training materials for all required training programs; and Franchisee or its employees shall be responsible for all other expenses incurred by Franchisee or its employees in connection with any training programs, including, without limitation, the cost of transportation, lodging, meals, and wages.

Franchisor offers training resources, as described below, to assist franchisees at their business location; however, fees will apply. All Franchisor starters shall be deemed employees of the Franchisee during the period(s) of service to the Franchisee, as herein provided:

Franchisee shall give Franchisor not less than fifteen (15) days' notice of when training should begin. In order for training to begin, Franchisee shall have received a Certificate of Occupancy and approval for the Business premises, and all equipment, furniture and fixtures shall be in place and functioning.

Pre-Opening Training

Prior to the opening of Franchised unit Franchisor shall furnish training, at its designated training center, upon not less than fifteen (15) days prior written notice received by Franchisor from Franchisee:

Pre-Opening Trainers Supplied by Franchisor

An opening team of trainers will assist in the setup and opening of the Franchised Business and their total cost of travel, food and lodging will be paid by the Franchisor.

W. Fire or Casualty

In the event the leased Business premises and/or building shall be damaged or destroyed by fire or other casualty, or be required to be repaired or reconstructed by any governmental authority, Franchisee shall either a) commence the required repair or reconstruction of the leased Business premises within thirty (30) days from the date of such casualty or notice of such governmental requirement (or such lesser period as shall be designated by such governmental requirement), and shall complete all required repair or reconstruction as soon as possible thereafter, in continuity, but in no event later than sixty (60) days from the date of such casualty or requirement of such governmental notice; or b) relocate to another location within thirty (30) days from the date of such casualty or requirement of such governmental notice. The minimum acceptable appearance for the restored or relocated leased Business premises will be that which existed just prior to the casualty; however, every effort should be made to have the restored or relocated leased Business premise include the then-current image, design and specifications of Franchisor.

If the building is substantially destroyed by fire or other casualty, Franchisee may, with Franchisor's agreement and upon payment of an amount equal to twenty-five percent (25%) of all insurance proceeds as a consequence of such casualty to the Franchisor as a royalty, terminate this Agreement in lieu of Franchisee's reconstructing the leased business premises.

X. Miscellaneous

Franchisee shall give Franchisor advance written notice of Franchisee's intent to institute legal action against Franchisor, specifying the basis for such proposed action, and shall grant Franchisor thirty (30) days from receipt of said notice to cure the alleged act upon which such legal action is to be based.

Y. Guaranty

If any Principal is a married individual and the Principal's spouse has not executed this Agreement, such Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, in the form attached as Attachment 1.

XIII. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO INSURANCE

A. Overall Coverage Required

Franchisee shall procure, prior to opening the Business, and shall maintain in full force and effect during the term of this Agreement at Franchisee's expense, an insurance policy or policies protecting Franchisor, and the officers, directors, partners, and employees of both Franchisor and Franchisee against any loss, liability, personal injury, death, property damage, or expense whatsoever arising or occurring upon or in connection with operating the Business. Franchisor shall be named as an additional insured on all such policies.

Prior to the opening of the Business and thereafter at least thirty (30) days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder. All certificates shall expressly provide that not less than thirty (30) days prior written notice shall be given to Franchisor in the event of material alteration to termination, non-renewal, or cancellation of, the coverage's evidenced by such certificates.

B. Insurance Carrier Must be Approved by Franchisor

Such policy or policies shall be written by an insurance company rated A-minus or better, in Class 10 or higher, by Best Insurance Ratings Service and satisfactory to Franchisor in accordance with standards and specifications set forth in the Manual or otherwise in writing, from time to time, and shall include, at a minimum (except as additional coverage's and higher policy limits may be specified by Franchisor from time to time), the following initial minimum coverage: in the chart below. Refer to the Manual for all required, suggested, and optional insurance.

Type:	Coverage Amount	How Rated:
General Liability	\$1,000,000	Per Occurrence
	\$2,000,000	In the Aggregate
Professional Liability	\$1,000,000	Per Occurrence
	\$3,000,000	In the Aggregate
Workers' Compensation	As required by law	Per Employee
Medical/Personal Injury Insurance	\$10,000	Not less than per Occurrence
Error and Omission Insurance (E&O)	\$1,000,000	Per Occurrence
	\$3,000,000	In the Aggregate

Valuable Papers (Optional)	\$75,000	Per Occurrence
Automobile Liability Insurance (Optional) (If automobile is owned, non-owned, rented, scheduled or hired by the business)	\$1,000,000	Per Person
	\$3,000,000	Per Accident
	\$500,000	Per Occurrence
	\$1,000,000	General Liability per Occurrence
Crime & Employee Dishonesty Insurance	\$30,000	Per Occurrence
Business Interruption Insurance	\$20,000	Not less than Per Month

1. Commercial General Liability Insurance, including coverage for products-completed operations, contractual liability, personal and advertising injury, fire damage, medical expenses, having a combined single limit for bodily injury and property damage as defined in the below chart. All such coverages shall be on an occurrence basis and shall provide for waivers of subrogation.

2. Franchisee must also maintain comprehensive crime and blanket employee dishonesty insurance in an amount of not less than Thirty Thousand Dollars (\$30,000).

3. All-risk property insurance, including theft and flood coverage (when applicable), written at replacement cost value covering the leased Business premises, improvements, furniture, fixtures, equipment and inventory. Coverage shall be written in a value which will cover not less than eighty percent (80%) of the replacement cost of the leased Business premises and one hundred percent (100%) of the replacement cost of the contents of the leased Business premises.

4. Employer's Liability, Worker's Compensation, Unemployment Insurance and Disability Insurance, as required by state law.

5. Business interruption insurance of not less than Twenty Thousand Dollars (\$20,000) per month for loss of income and other expenses with a limit of not less than six (6) months of coverage.

6. You must submit Error and Omission (E&O) insurance coverage verification to DHH Group, Inc. quarterly.

7. All insurance policies must name us as additional insured parties.

Franchisee's obligation to obtain and maintain, or cause to be obtained and maintained, the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section XVIII of this Agreement.

C. No Limitations on Coverage

Franchisee's obligations to obtain and maintain the foregoing insurance policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in this Agreement. Franchisee may maintain such additional insurance as it may consider advisable.

D. Franchisee Must Provide Evidence of Coverage to Franchisor

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment to Franchisor, together with, upon request, copies of all policies and policy amendments and endorsements. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without giving at least thirty (30) days' prior written notice to Franchisor.

E. Franchisor May Procure Insurance Coverage

Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as described from time to time by the Manual or otherwise in writing, Franchisor shall have the right and authority (but no obligation) to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Franchisor's expenses in so acting, shall be payable by Franchisee immediately upon notice from Franchisor.

XIV. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO ACCOUNTING AND RECORDS

A. Bookkeeping, Accounting and Records

Franchisee shall maintain during the term of this Agreement and shall preserve for a seven (7) years, full, complete accurate records of sales, , payroll, and accounts payable in accordance with the standard accounting system described by Franchisor in the Manual or otherwise specified in writing.

B. Franchisor's Right to Audit

Franchisor or its designated agents shall have the right, at all reasonable times, to examine and copy, at Franchisor expense, the books, records, and tax returns of Franchisee and the Business. Franchisor shall also have the right, at any time, to have an independent audit made of the books of the Business. If an inspection should reveal that any payments to Franchisor have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount understated upon demand, in addition to interest on such amount from the date such amount was due until paid, at the Default Rate, calculated on a daily basis. If an inspection discloses an understatement in any payment to Franchisor of five percent (5%) or more, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses relating to the inspection (including, without limitation, travel, lodging, meals and wage expenses and reasonable accounting and legal costs), and, at Franchisor's discretion, submit audited financial statements prepared, at Franchisee' expense, by an independent certified public accountant satisfactory to Franchisor. If an inspection discloses an understatement in any payment to Franchisor of five percent (5%) or more, such act or omission shall constitute grounds for immediate termination of this Agreement, as set forth in Section XXIII. hereof. The foregoing remedies shall be in addition to any other remedies Franchisor may have pursuant to this Agreement and as provided at law and in equity.

C. Reporting of Gross Income

Franchisee shall submit to Franchisor during the term of this Agreement, after the opening of the Business, (a) a royalty report from credit card, or any financial transactions on a one (1) week accounting period (the "Accounting Period") basis in the form prescribed by Franchisor from time to time, accurately reflecting all Gross Income during each preceding Accounting Period, and such other data or information as Franchisor may require, from time to time, said report to be received by Franchisor by Wednesday of each week of each such Accounting Period; and (b) profit and loss statements, balance sheets and trial

balances prepared in accordance with generally accepted accounting principles, consistently applied, for each accounting period, to be received by Franchisor within fifteen (15) days after the date of expiration of each period covered by the report, (c) copies of all tax returns relating to sales at the Business to be received by Franchisor within ten (10) days of the end of the state sales tax reporting period, and (d) such other data or information as Franchisor may require, from time to time.

Franchisee shall submit to Franchisor during the term of this Agreement, after the opening of the Business, (a) a royalty report from cash/check transactions, on a one (1) month accounting period (the "Accounting Period") basis in the form prescribed by Franchisor from time to time, accurately reflecting all Gross Income during each preceding Accounting Period, and such other data or information as Franchisor may require, from time to time, said report to be received by Franchisor by the 10th day of each month of each such Accounting Period; and (b) profit and loss statements, balance sheets and trial balances prepared in accordance with generally accepted accounting principles, consistently applied, for each accounting period, to be received by Franchisor within fifteen (15) days after the date of expiration of each period covered by the report, (c) copies of all tax returns relating to sales at the Business to be received by Franchisor within ten (10) days of the end of the state sales tax reporting period, and (d) such other data or information as Franchisor may require, from time to time.

D. Submission of Financial Statements

Franchisee shall, at its expense, submit to Franchisor, within thirty (30) days of the end of each calendar quarter during the term of this Agreement, on forms prescribed by Franchisor, a financial statement, which may be unaudited, for the preceding quarter, including both an income statement and balance sheet. Each financial statement shall be signed by Franchisee or by Franchisee's Treasurer or Chief Financial Officer, attesting that the statement is true and correct. Franchisee shall also, at its expense, submit to Franchisor within sixty (60) days of the end of each fiscal year of Franchisee during the terms of this Agreement, a complete financial statement for said fiscal year, including, without limitation, both an income statement and balance sheet, which may be unaudited, together with such other information in such form as Franchisor may require. Franchisee shall also submit to Franchisor the current financial statement and other forms, records, reports, information, and data as Franchisor may designate, in the form, and at the times and the places required by Franchisor, upon request, and as specified from time to time in the Manual or otherwise in writing.

E. Disclosure of Financial Statements

Franchisee hereby grants permission to Franchisor to release to Franchisee's landlord, lenders or prospective landlords or lenders, any financial and operational information relating to Franchisee and/or the Business; however, Franchisor has no obligation to do so.

F. Computer System and Telecommunication Requirements

Before your Business opens for business to the public, you will obtain and install, at your expense, the computer hardware, software, and internet connections required dedicated telephone and power lines and other computer-related accessories, peripherals and equipment that we specify in our Manual or otherwise. You agree to obtain and maintain high speed communications access, such as broadband, DSL or other high-speed capacity that we require, for your Computer System. You also agree to maintain at all times a functioning email address for your franchised Business.

You agree to provide all assistance we require to bring your Computer System online with our computers at the earliest possible time and to maintain these connections as we require. You agree to input and maintain in your Computer System all data and information which we prescribe in our Manual, in our

proprietary software (if any) and its manuals, or otherwise. We have the absolute right to retrieve from your Computer System all information that we consider necessary, desirable or appropriate. You must accurately, consistently and completely record and provide through your computer and point of sale systems all information concerning the operation of your franchised Business that we require in the form and at the intervals that we require.

You agree to use proprietary software and software support services that either we develop and provide, or which are provided by a third-party supplier we designate, and you will execute any standard form software license agreement reasonably necessary to do so. The current expense required to obtain such software support services is set forth in the Disclosure Document you received prior to signing this Agreement. You agree to purchase from us or our designee, as applicable, new, upgraded or substitute proprietary software whenever we determine to adopt them systemwide, at the prices and on the terms that we or such third-party vendor establish, but you will not be required to do so more than once in any calendar year.

You agree, at your expense, to keep your Computer System in good maintenance and repair. We may mandate that you add memory, ports, accessories and/or peripheral equipment to your computer and point of sale systems. Following our determination that it will be beneficial to the System, you agree to install at your own expense such additions, modifications, substitutions and/or replacements to your computer and point of sale hardware, software, telephone and power lines, and other computer-related facilities, as we direct, on the dates and within the times we specify in our Manual or otherwise.

Upon termination or expiration of this Agreement, you must return to us all computer and point of sale software, disks, tapes and other magnetic storage media in good condition, allowing for normal wear and tear.

You will provide to us all user ID's and passwords required to access files and other information stored on your franchised Business' Computer System. You will at all times ensure that the only personnel conducting transactions on your computer and point of sale systems will be those who have been trained and qualified in accordance with the requirements of our Manual.

G. Webpage and Database Set-Up

Franchisor shall provide Franchisee with a webpage and the initial set-up of Franchisee's database during the initial training program. Franchisee shall pay Franchisor or Franchisor's affiliate, as appropriate, a Five Hundred Dollar (\$500) non-refundable fee for these items at least ten (10) days prior to Franchisee beginning training.

XV. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO USES OF NAMES AND MARKS

A. Names and Marks are Licensed by Franchisor

Franchisor expressly acknowledges that it has the lawful right to use and to authorize Franchisee to use the Marks.

B. Franchisee is Licensed to Use Names and Marks

With respect to Franchisee's franchised use of the Names and Marks pursuant to this Agreement, Franchisee agrees that:

1. Franchisee shall use only the Names and Marks as are approved in writing by Franchisor for Franchisee's use, and shall use them only in the manner authorized and permitted by Franchisor and that in any use whatsoever of the Names and Marks of Franchisor that the Names and Marks are identified as being registered to or owned by Franchisor;

2. Franchisee shall use the Names and Marks only in connection with the operation of the Business and in advertising for the Business conducted at or from the Accepted Location;

3. Franchisee shall use and display, as Franchisor may require in the operation of the Business, a notice in the form approved by Franchisor indicating that Franchisee is a "Franchised Operator" under the System and that the Names and Marks are used by Franchisee under such Franchise;

4. Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Business under the Name and Mark "My Elder";

5. Franchisee's right to use the Names and Marks is limited to such usages as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights;

6. Franchisee shall not use the Names and Marks to incur any obligations or indebtedness on behalf of Franchisor;

7. Franchisee shall not use the Names and Marks or any part thereof as part of its corporate or other legal name;

8. Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registration, and shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection for the Names and Marks or to maintain their continued validity and enforceability; and

9. In the event any litigation involving the Names and Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending such litigation.

10. During the term of this Agreement and any renewal hereof, Franchisee shall identify itself as the owner of the Business in conjunction with any use of the Names and Marks, including, but not limited to, on invoices, order forms, receipts, and contracts, as well as at such conspicuous locations on the premises of the Business as Franchisor may designate in writing. The form and content of such identification shall comply with standards set forth in the Manual.

C. Franchisee Will Not Challenge Franchisor's Rights In Its Names and Marks

Franchisee expressly understands and acknowledges that:

1. As between the parties hereto, Franchisor is the owner of all right, title, and interest in and to the Names and Marks and the goodwill associated with and symbolized by them;

2. The Names and Marks are valid and serve to identify the System and those who are franchised under the System;

3. Franchisee shall not directly or indirectly contest the validity or Franchisor's affiliate's ownership of the Names and Marks;

4. Franchisee's use of the Names and Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to the Names and Marks, except the non-exclusive Franchise granted herein;

5. Any goodwill arising from Franchisee's use of the Names and Marks in its Business under the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the Franchise herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Names and Marks;

6. Franchisor reserves the right to substitute different Names and Marks for use in identifying the System, the Business and other franchised businesses operating there under; and

7. Franchisee hereby agrees not to register or attempt to register the Names and Marks in Franchisee's name or that of any other firm, person or corporation.

8. The right and license of the Names and Marks granted hereunder to Franchisee is nonexclusive, and Franchisor thus has and retains the rights, among others:

a. To use the Names and Marks and itself in connection with selling products and services;

b. To grant other licenses for the Names and Marks, in addition to those licenses already granted to existing franchisees; and

c. To develop and establish other systems using similar names and marks, or any other proprietary marks, and to grant licenses or franchises thereto at any location(s) whatsoever without providing any rights therein to Franchisee.

9. Franchisee understands and acknowledges that Franchisor has the unrestricted right to engage, directly or indirectly, through its or their employees, representatives, licensees, assigns, agents and others, at wholesale, retail and otherwise, in the production, distribution and sale of elder care advisory services or products bearing the Names and Marks licensed hereunder or other names or marks, including without limitation, elder care advisory services or products included as part of the System. Franchisee shall not under any circumstances engage in any wholesale trade or sale of System elder care advisory services or products for resale.

XVI. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO CONFIDENTIALITY OF PROPRIETARY INFORMATION

A. Franchisee Will Learn Proprietary Matters

Franchisee acknowledges that he or she will obtain knowledge of proprietary matters, techniques and business procedures or Franchisor that are necessary and essential to the operation of the Business, without which information Franchisee could not effectively and efficiently operate such business, including, without limitation, knowledge regarding the System, the layout of the Business and the Manual. Franchisee further acknowledges that such proprietary information was not known to Franchisee prior to execution of this Agreement and that the methods of Franchisor are unique and novel to the System. As used herein, "Proprietary Information" shall mean confidential information concerning:

1. Persons, corporations or other entities which are, have been or will become Franchisees of the System and any investors therein;
2. Persons, corporations or other entities which are, have been or will become clients of the Business;
3. The terms of and negotiations relating to past or current Franchise Agreements with respect to the System;
4. The operating procedures of the System, including without limitation: distinctive management; bookkeeping and accounting systems and procedures; advertising, promotional and marketing methods; personnel hiring and training procedures; The MEA Method®; handling and storage of client data/information; delivery of elder care advisory services and products; the manufacturers, suppliers and uses of equipment; and lists of elder care advisory services vendors;
5. The economic and financial characteristics of the System and Franchisees, including without limitation: pricing policies and schedules, profitability, earnings and losses, and capital and debt structures;
6. The services and products offered to clients of Businesses, including, without limitation, the scope of services performed and services refused; and
7. All documentation of the information listed in Sections XVI.A.1 through XVI.A.7 hereof, including, without limitation, the Manual. During the term of this Agreement and following the expiration or termination of this Agreement, Franchisee agrees not to divulge, directly or indirectly, any Proprietary Information, without the prior written consent of Franchisor.

B. Franchisee's Employees Will Not Disclose Proprietary Information Nor Compete With Franchisor Post Termination

Franchisee may disclose Proprietary Information only to such of its trained employees, managers and “Elder Advocates” as must have access to it in order to operate the Business. Franchisee shall require that trained employees, managers and “Elder Advocates” sign Franchisor’s standard form of Confidentiality and Non-Competition Agreement attached hereto as Attachment 3 and provide a copy of each such Agreement to the Franchisor before such trained employee, manager or Elder Advocate becomes employed or otherwise retained by Franchisee.

C. Injunctive Relief is Available to Franchisor

Franchisee acknowledges that any failure to comply with the requirements of this Section XVI will cause Franchisor irreparable injury, and Franchisor shall be entitled to obtain specific performance of, or an injunction against any violation of, such requirements; Franchisee waives any requirements for the posting of any bond(s) relating thereto. Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against, violation of requirements of this Section XVI. The foregoing remedies shall be in addition to any other legal or equitable remedies which Franchisor may have.

D. Franchisor's Patent Rights and Copyrights

Franchisor owns rights to a utility patent known as The MEA Method™. The MEA Method® is included as part of Franchisor’s Proprietary Information and Franchisee (as well as its trained employees,

managers and Elder Advocates by signing the Confidentiality and Non-Competition Agreement annexed hereto as Attachment 3) shall treat such Proprietary Information with the utmost confidentiality. Franchisor claims copyright protection for the Manual and all of its marketing, sales, and operations literature. Furthermore, Franchisor claims rights to certain trade secrets and confidential information as discussed above.

XVII. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO TAXES, PERMITS AND LAWSUITS

A. Franchisee Must Notify Franchisor of Lawsuits

Franchisee shall notify Franchisor in writing within five (5) days of notice of the commencement of any action, suit, or proceeding against Franchisee, and of the issuance of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency, or other governmental instrumentality, which arises out of, concerns, or may affect the operation or financial condition of the Business, including, without limitation, any criminal action or proceedings brought by Franchisee against its employees, clients, or other persons.

B. Franchisee Must Comply With Laws

Franchisee shall, at Franchisee's expense, comply with all federal, state and local laws, rules, regulations and ordinances and shall timely obtain and shall keep in force as required throughout the term of this Agreement all permits, certificates and licenses necessary for the full and proper conduct of the Business, including, without limitation, any required permits, licenses to do business, industry-specific certifications and/or licenses, fictitious name registrations, sales tax permits, and fire clearances. Copies of the above aforementioned should be sent to Franchisor upon all renewals and issuances.

C. Franchisee Must Pay Taxes Promptly

Franchisee shall promptly pay when due all taxes levied or assessed, including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of any kind incurred by Franchisee in the conduct of the Business. Franchisee shall pay Franchisor an amount equal to any sales tax, gross receipts tax or similar tax imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless tax is credited against income tax otherwise payable by Franchisor.

D. Franchisee May Contest Tax Assessments

In the event of any bona fide dispute as to any liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law. However, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor to occur against the premises of the Business, or any improvements thereon.

XVIII. SPECIFIC OBLIGATION OF FRANCHISEE RELATING TO INDEMNIFICATION

Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name. Franchisee further understands and agrees that Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the Business or any claim or judgment arising there from against

Franchisee. Franchisee shall indemnify and hold Franchisor and Franchisor's officers, directors, shareholders and employees harmless against any and all claims arising directly or indirectly from, as a result of, or in connection with, Franchisee's operation of the Business, as well as the cost, including attorney's fees, of defending against same.

XIX. MISCELLANEOUS COVENANTS OF FRANCHISEE

E. Covenants are Independent

The parties agree that each covenant herein shall be construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Agreement is held to be unenforceable or unreasonable by a court or agency having competent jurisdiction in any final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and made a part of this Agreement.

F. Franchisee Will Not Compete Against Franchisor

Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational procedures, elder care advisory services, sales, promotional and marketing methods and techniques of Franchisor and the System.

Franchisee covenants that, during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity, own, maintain, operate, engage in, be employed by or have any interest in any business that is engaged in the same business as the Business, or a similar business. For purposes of this Agreement, a business that provides any type of elder care advisory services will be deemed to be a business similar to the Business.

Franchisee further covenants that, except as otherwise approved in writing by Franchisor, Franchisee shall not, during the term of this Agreement and for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, either directly or indirectly for itself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity, own, maintain, operate, engage in, be employed by, or have any interest in any business similar to the Business or that is engaged in the same business as the Business within the Territory and a within a fifty (50) mile radius of the Territory or the territory of any other My Elder in existence or planned as of the time of termination or expiration of this Agreement. For purposes of this provision, a business that provides any type of elder care advisory services will be deemed to be a business similar to the Business.

G. Exception to Covenant Not to Compete

Section XIX.B hereof shall not apply to ownership by Franchisee of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

H. Franchisee Will Not Divert Business

During the term of this Agreement and for a period of two (2) years following the expiration or termination of this Agreement, Franchisee covenants that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

1. Divert or attempt to divert business or clients or prospective clients of the Business with which or whom Franchisee has had contact during the term of this Agreement to any business or competitor by direct or indirect inducement or otherwise; or

2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Names and Marks or the System or both.

I. Franchisor Is Entitled to Injunctive Relief

Franchisee acknowledges that any failure to comply with the requirements of this Section XIX will cause Franchisor irreparable injury for which no adequate remedy at law may be available, and Franchisee hereby accordingly consents to the issuance by a court of competent jurisdiction of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section XIX and waives any requirement for the posting of any bond(s) relating thereto. Franchisor may further avail itself of any legal or equitable rights and remedies which it may have under the Agreement or otherwise.

J. Covenants Are Enforceable Independent of Claims

Franchisee expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants of this Section XIX. Franchisee further agrees that Franchisor shall be entitled to set off any amounts owed by Franchisor to Franchisee against any loss or damage to Franchisor resulting from Franchisee's breach of this Section XIX.

K. No Right of Set-Off

Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section XIX. Franchisee agrees to pay all damages, costs and expenses (including reasonable attorney's fees) incurred by Franchisor in connection with the enforcement of this Section XIX.

XX. OBLIGATIONS OF FRANCHISOR: SUPERVISION, ASSISTANCE OR SERVICES

Franchisor shall provide Franchisee with the following assistance and services:

A. Initial Training Program

1. Franchisor will provide an initial training program concerning the operation of the Business consisting of approximately five (5) days of training at a corporate location to be designated by Franchisor, and approximately two (2) days at your location to be designated by Franchisor. The training session will begin approximately fifteen (15) days or more before the opening of the Business. The exact days will be mutually selected by Franchisor and Franchisee. Franchisee and/or his, her or its designated representative shall attend such training program at no charge to Franchisee. Franchisee shall be responsible for any travel, lodging, meal or other costs for the attendee(s) of the training program at Franchisor's Home Office. Franchisee must have at least one (1) fully trained, full-time Manager operating the Business during the entire term of the Agreement. Either the Franchisee or Franchisee's Manager must attend the training sessions. Any person subsequently employed as a full-time manager of the Business may be required by

Franchisor to complete the initial training program. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a material breach of this Agreement.

2. Franchisor requires Franchisee, its Principals and all current and future management staff members who will consult with clients to attend My Elder training prior to any consultation with clients.

3. Franchisor shall provide training in The MEA Method®.

4. Franchisor shall also offer additional training resources, at a cost to Franchisee to be determined by Franchisor, to assist franchisee at their business location for hourly employees.

5. Franchisor shall provide such continuing advisory assistance to Franchisee in the operation, advertising and promotion of the Business as Franchisor deems advisable. Franchisor shall also provide refresher training programs for Franchisee and to Franchisee's employees as Franchisor deems appropriate.

6. Franchisor may, from time to time, provide to Franchisee, at Franchisee's expense, such advertising and promotional plans and materials for local advertising as described in Section X.C of this Agreement and may direct the discontinuance of such plans and materials, from time to time. All other advertising and promotional materials which Franchisee proposes to use must be reviewed and approved by Franchisor, pursuant to Section X.C hereof.

7. Franchisor may conduct additional virtual or hands-on seminars, or other training programs for the benefit of Franchisee, and Franchisee (and/or Franchisee's employees) may attend any such seminar or program. Franchisor may charge a reasonable fee for such seminar or program if it is deemed appropriate. Any and all traveling, living and other expenses incurred by anyone attending training shall be paid by Franchisee.

8. Franchisee may make reasonable request for training in addition to that specified above, and Franchisor shall provide such training, at Franchisee's expense, including without limitation, any travel, lodging, meals and other related costs.

9. Franchisee shall complete and/or shall cause its employees to complete, to Franchisor's satisfaction, such other additional training as Franchisor may reasonably require from time to time.

10. Franchisor may provide Franchisee, from time to time, as Franchisor deems appropriate, such merchandising, marketing and other data and advice as may from time to time be developed by Franchisor and deemed by Franchisor to be helpful in the managing and operation of the Business.

11. Franchisor may provide such periodic individual or group advice, consultation and assistance, rendered by a 24/7 hotline for questions, a personal visit, any type of virtual communication(s), telephone, or by video, newsletter or bulletins made available from time to time to all My Elder franchisees, as Franchisor may deem necessary or appropriate.

12. Franchisor may provide such bulletins, brochures, manuals and reports, if any, as may from time to time be published by or on behalf of Franchisor regarding its plans, policies, developments and activities. In addition, Franchisor may provide such communication concerning new developments, techniques and improvements management which Franchisor feels are relevant to the operation of the Business.

13. Franchisor shall provide the requirements for a standardized system for accounting, elder care advisory services, cost control, vendor control, and inventory control.

14. Franchisor shall seek to maintain the high standards of quality, appearance, and service of the System, and to that end shall conduct, as it deems advisable, inspections of the Business franchised hereunder, and evaluations of the products sold and services rendered therein.

15. Franchisor is obligated to take any appropriate action to preserve the Names and Marks against unauthorized operations which infringe on such Names and Marks.

16. All obligations of Franchisor under this Agreement shall benefit only Franchisee, and no other party is entitled to rely on, enforce, benefit from or obtain relief for breach of such obligations, either directly or by subrogation.

B. Site Selection

Franchisee has the responsibility for selecting a site for the Business. Franchisor shall then review and accept or reject Franchisee's site selection and lease agreement, based on an analysis of local competing businesses, population density and other demographics, visibility and accessibility, traffic patterns, the neighborhood, suitability of the premises to be leased and other factors more fully described in Franchisor's Manual. The suitability of a site is determined on a case-by-case basis. Franchisor's acceptance of a site does not constitute a guarantee by Franchisor that the Business will be profitable at that site.

C. Business-Layout and Design

If Franchisee leases an existing space in an existing building Franchisor will assist the Franchisee with the layout and design of the Business including location of walls, counters and the location of equipment, furniture and fixtures within two (2) weeks following the lease of the premises and delivery of the floor and/or site plan to Franchisor. The costs of leasehold improvements, signage, equipment, furniture and fixtures for finishing out a Business are the responsibility of Franchisee.

D. Post-Training Assistance

In addition to the assistance rendered to Franchisee prior to opening, Franchisor will provide continuing consultation and advise regarding business, financial, operational, technical, pricing, legal, sales and advertising matters, products, management of supplies, styles and type of service, operation of the Business, and development of personnel policies. Franchisor will provide such assistance by any type of virtual communication(s), telephone, newsletter or bulletin, or, if the situation warrants, through on-site assistance of appropriate Franchisor personnel.

E. Manual

In order to protect the reputation and goodwill of My Elder and to maintain high standards of operation under My Elder Proprietary Marks, Franchisee shall conduct its business in accordance with this Agreement and the Manual, which may include portable storage devices, Power Point® presentations, flash presentation, video, webinars, computer software, other electronic media or online/virtual means, and/or written materials, or other written directives which Franchisor may issue to Franchisee from time to time whether or not such directives are made part of the Manual, and any other materials created or approved for use in the operation of the Business by Franchisor, from time to time.

Franchisee shall at all times treat the Manual, any written directives of Franchisor, any business plans and specifications, and any other manuals created for or approved for use in the operation of the Business, and any supplements thereto, and the information contained therein, in trust and as confidential

information, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

The Manual, written directives, other manuals and materials, and any other confidential communications provided or approved by Franchisor, shall at all times remain the sole property of Franchisor and shall at all times be kept and maintained in a secure place on the Business premises. If the Manual is not maintained in a secure place on the Business premises, Franchisee shall pay Franchisor Five Thousand Dollars (\$5,000) per incident.

Franchisor from time to time revise the contents of the Manual and the contents of any other manuals and materials created or approved for use in the operation of the Business, and Franchisee expressly agrees that each new or changed standard shall be deemed effective upon receipt by Franchisee or as specified in such standard.

Franchisee shall at all times insure that its copy of the Manual is kept current and up to date; and, in the event of any dispute as to the contents of the Manual, the master copy of the Manual maintained by Franchisor at Franchisor headquarters shall be controlling.

Any suggestions Franchisee may have concerning the improvement of products, equipment, uniforms, business facilities, service format and advertising are encouraged and shall be considered by Franchisor when adopting or modifying the standards, specifications and procedures for the System.

F. Suppliers, Vendors and Advisors

Franchisor shall provide Franchisee a list of designated and approved suppliers, vendors and advisors of necessary services, products, and items. You must utilize My Elder corporate advisors for all network services, including, but not limited to, long-term care insurance, financial planning, accounting services, senior movers and legal services. If there are local network service advisors in your area for any of the above-referenced services, those advisors must be approved by My Elder corporate.

G. Recommended Price Schedules

Because enhancing Franchisor's interbrand competitive position and consumer acceptance for its services is a paramount goal of Franchisor and its franchisees, and because this objective is consistent with the long-term interest of System overall, Franchisor may exercise rights with respect to the pricing of services to the fullest extent permitted by then-applicable law. These rights may include (without limitation) recommending resale prices, advertising specific prices and setting maximum and/or minimum price limitations in accordance with the legal principles applicable to us and to the affected franchisees that are in effect at the time and in the place this action is undertaken. Franchisor's reasons for imposing maximum price limitations may include, for example, enhancing the interbrand competitiveness of the System; enabling competitive and multiterritorial "price point" advertising; effectuating national or regional promotions; or, benefiting Franchisee's clients. Franchisor may also suggest prices for services offered and sold by Franchisee's Business from time to time. Franchisee acknowledges that any suggested or maximum prices, fees, markups or margins may or may not optimize the revenues or profitability of Franchisee's Franchised Business.

H. Advertising and Promotion

Franchisor shall develop and provide creative materials for local and regional advertising and make such advertising materials available to its Franchisees for publication or distribution in the Franchisee's

market area at Franchisee's own expense. Franchisor may be reimbursed for the creative and production costs for such items as billboard and/or signage design, radio, television and electronic media production, public relations campaigns, copy for newspaper, magazine advertisements, flyers, brochures, virtual advertisements, and other promotional material. Franchisor shall provide specific guidelines for advertising initiated by individual Franchisees and shall reserve the right to disapprove any advertising which, in Franchisor's opinion, is not in accordance with these guidelines. However, no approval shall be unreasonably withheld or denied. Immediately upon notification to do so, Franchisee shall discontinue any advertising that would, in Franchisor's opinion, be detrimental.

I. Welcoming Package

Franchisor will provide you with a Welcoming Package, after you sign the Franchise Agreement that includes, at minimum, two (2) branded golf shirts, two (2) branded coffee mugs, fifty (50) branded pens/styluses, and ten (10) branded notebooks.

J. Co-Branding

Franchisor may determine from time to time to incorporate in the System products or services which we either develop or otherwise obtain rights to, which are offered and sold under names, trademarks and/or service marks other than the Proprietary Marks and which the franchised Business, along with other My Elder Advocate businesses, will be required to offer and sell (this activity, colloquially referred to as “cobranding”, may involve changes to the Proprietary Marks and may require you to make modifications to Franchisee’s franchised Business premises and the furniture, fixtures, equipment, signs and trade dress of Franchisee’s Business). If Franchisee receives written notice that Franchisor is instituting a cobranding program, Franchisee agrees promptly to implement that program at its Business at the earliest commercially reasonable time and to execute any and all instruments required to do so. Under no circumstance will any cobranding program increase your Royalty Fee, Marketing Fund contribution or local advertising expenditure obligations under this Agreement.

XXI. VARYING STANDARDS

Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole and absolute discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition which Franchisor deems to be of importance to the successful operation of such Franchisee's business. Franchisee shall not have any right to complain about a variation from standard specifications and practices granted to any other Franchisee and shall not be entitled to require Franchisor to grant to Franchisee a like or similar variation.

XXII. SALE OF FRANCHISE

A. Assignment by Franchisee

This Agreement restricts Franchisee's right to assign the Agreement to a third party. Neither this Agreement, nor any of Franchisee's rights or privileges, shall be assigned, transferred, shared, redeemed or divided by operation of law or otherwise, in any manner, without the prior written consent of Franchisor, which consent will not be withheld or delayed unreasonably. In granting any such consent, Franchisor may impose reasonable conditions, including, without limitation, the following:

1. Franchisee must be in full compliance with the terms of this Franchise Agreement, including being paid in full on all fees due and payable to us or our affiliate;
2. The proposed assignee and its principals must meet the then-applicable standards of Franchisor;
3. The proposed assignee must not operate a franchise, license or other business offering services similar to those offered by the Business;
4. The assignee, and if assignee is a corporation or partnership, and assignee's principals must execute and agree to be bound by the then-current Franchise Agreement offered by Franchisor, which may contain terms and provisions that are materially different from the terms and provisions of this Agreement or which materially alter the rights or obligations of Franchisee under this Agreement;
5. Franchisor shall not charge such assignee an initial franchise fee for the Franchise but will charge a transfer fee of thirty-five percent (35%) of the then-current initial franchise fee charged by Franchisor. If Franchisor determines that training is required, assignee will attend training at Franchisor's Home Office as required under the then-current Franchise Agreement;
6. Franchisee shall have substantially complied with all of the terms and provisions of this Agreement, any amendment hereof or successor hereto, or any other agreements between the Franchisee and Franchisor, its subsidiaries or affiliates and, at the time of transfer, shall not be in default thereof;
7. The transferor shall have executed a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances;
8. The transferee and its principals, as applicable, shall enter into a written assumption agreement, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement and/or any new franchise agreement, as hereinafter provided;
9. The transferee shall demonstrate to Franchisor satisfaction that the transferee meets Franchisor educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Business (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the Business;
10. The transferee and its principals, as applicable, shall execute, for a term ending on the expiration date of this Agreement and with such renewal term, if any, as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and such other ancillary agreements as Franchisor may require for the Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, a higher percentage royalty rate, advertising contribution, and service charge for goods; provided; however, that the transferee shall not be required to pay an initial franchise fee;
11. The transferee, at its expense, shall upgrade the Business to conform to the then-current standards and specifications of the System and shall complete the upgrading and other requirements within the time specified by Franchisor;

12. Franchisee shall remain liable for all of the obligations to Franchisor in connection with the Business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

13. Franchisee shall agree to remain obligated under the covenants against competition of this Agreement as if this Agreement had been terminated on the date of the transfer;

14. At the transferee's expense, the transferee and, if applicable, the transferee's designated individual manager shall complete any training programs then in effect for franchisees upon such terms and conditions as Franchisor may reasonably require, and shall pay for all travel expenses, including, but not limited to airfare, lodging, meals and entertainment, of itself and of transferee's designated individual manager;

15. The transferee shall agree to a sublease or to a transfer and assignment, and assumption of the lease of the Business site from the original franchisee and shall obtain the landlord's approval if required prior to any transfer or sublease, if applicable.

B. Assignment by Franchisor

Franchisor has an unrestricted right to transfer or assign all or part of its rights or obligations under this Agreement to any assignee or other legal successor to the interests of Franchisor.

C. Transfer Upon Death, Mental or Physical Incapacity

Upon the death, mental or physical incapacity of any Principal, the executor, administrator, or personal representative of that person must transfer his/her interest to a third party approved by Franchisor within six (6) months of mental or physical incapacity or within twelve (12) months of death. These transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same restrictions and conditions as any *inter vivos* transfer. However, in the case of a transfer by devise or inheritance, if the heirs or beneficiaries of any deceased person are unable to meet the conditions of this Agreement, the personal representative of the deceased Principal shall have a reasonable time to dispose of the deceased's interest in the Business, which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within a reasonable time, Franchisor may terminate this Agreement.

Pending assignment, upon the death of the Principal, or in the event of any temporary or permanent mental or physical disability of the Principal, a manager shall be employed for the operation of the Business who has successfully completed Franchisor's training courses to operate the Business for the account of Franchisee. If after the death or disability of the Principal, the Business is not being managed by such trained manager, Franchisor is authorized to appoint a manager to maintain the operation of the Business until an approved assignee will be able to assume the management and operation of the Business, but in no event for a period exceeding one (1) year without the approval of the personal representative of the Principal; such manager shall be deemed an employee of Franchisee. All funds from the operation of the Business during the period of management by such appointed or approved manager shall be kept in a separate fund and all expenses of the Business, including compensation of such manager, other costs and travel and living expenses of such appointed or approved manager (the "Management Expenses"), shall be charged to such fund. As compensation for the management services provided, in addition to the Fees due hereunder, Franchisor shall charge such fund the full amount of the direct expenses incurred by Franchisor during such period of management for and on behalf of Franchisee, provided that Franchisor shall only have a duty to utilize reasonable efforts and shall not be liable to Franchisee, the Principal or personal representative of the Principal, the Entity or any person or entity having an interest therein for any debts,

losses or obligations incurred by the Business, or to any creditor of Franchisee or the Principal during any period in which it is managed by a Franchisor-appointed or approved manager.

D. Sale of Franchised Business

If Franchisee or its Principals desire to sell the Business, or part or all of the ownership of the Business, then Franchisor will reasonably assist Franchisee or its Principals in connection therewith. If Franchisee or its Principals shall obtain a bona fide written offer to purchase the Business, or such ownership, such offer shall be submitted promptly to Franchisor. For a period of thirty (30) days from the date of Franchisor's receipt of such offer, Franchisor shall have the right, exercisable by written notice to Franchisee and its Principals, to purchase the Business, or such ownership, for the price and on the same terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer. If Franchisor does not exercise its right of first refusal, the bona fide written offer may be accepted by Franchisee or its Principals, subject to the prior written approval of Franchisor. To enable Franchisor to determine whether it will exercise its option, Franchisee and the seller shall provide such information and documentation, including financial statements, as Franchisor may require. In the event that Franchisor elects to purchase said interest, closing on such purchase must occur within ninety (90) days from the date of notice to the seller of the election to purchase said Interest by Franchisor. Failure of Franchisor to exercise the option afforded by this Section XXII.D shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section XXII., with respect to a proposed transfer of any Interest. Any subsequent change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer.

XXIII. TERMINATION OF FRANCHISE

A. By Franchisor with Right to Cure

Franchisee acknowledges that the strict performance of all the terms of this Agreement is necessary not only for protection of Franchisor, but also the protection of Franchisee and other franchisees of Franchisor. As a result, Franchisee therefore acknowledges and agrees that strict and exact performance by Franchisee of each of the covenants and conditions contained herein is a condition precedent to the continuation of this Agreement. If Franchisee shall breach any provision of this Agreement, then Franchisor shall notify Franchisee in writing of such breach, specifying its nature and giving Franchisee ten (10) days, or such longer period as applicable law may require, in which to remedy same. Notwithstanding the foregoing, Franchisee shall cure violations of health, safety or sanitation laws within seventy-two (72) hours' notice. If Franchisee shall fail to remedy such breach, then Franchisor can terminate this Agreement and the Franchise effective ten (10) days, or such longer period as applicable law may require, after delivery of notice of termination to Franchisee.

B. Termination by Franchisor Without Right to Cure

Notwithstanding the foregoing, Franchisee shall be deemed to be in breach and Franchisor, at its option, may terminate this Agreement and all rights granted under it, without affording Franchisee any opportunity to cure the breach, effective immediately upon Franchisor notifying Franchisee in writing of such breach, if Franchisee does any of the following:

1. Abandons, surrenders, or transfers control of the operation of the Business or fails to continuously and actively operate the Business, unless precluded from doing so by damage to the premises of the Business due to war, act of God, civil disturbance, natural disaster, labor dispute or other events beyond Franchisee's reasonable control;

2. Consistently fails or refuses to submit when due any financial statement, tax return or schedule, or to pay when due the Base Royalty Fees, or any other payments due Franchisor or its affiliate;
3. Operates the Business in a manner that violates any federal, state, or local law, rule, regulation or ordinance;
4. Has made a material misrepresentation or omission on the application for the Franchise;
5. Transfers, assigns, or sub-franchises this Agreement without having the prior written consent of Franchisor, as set forth herein;
6. Discloses or divulges the contents of the Manual or any other Proprietary Information provided to Franchisee by Franchisor;
7. Repeatedly fails to substantially comply with any of the requirements imposed by this Agreement, whether or not cured after notice;
8. Commits a breach of this Agreement or engages in any other activity which has a material adverse effect on Franchisor or the Names and Marks;
9. Fails or refuses to comply with any provision of this Agreement or any other agreement between Franchisor and Franchisee relating to the Business or the Franchise, and does not correct such failure or refusal within thirty (30) days after written notice of such failure or refusal to comply is delivered to Franchisee;
10. Is convicted of a felony or has pleaded *nolo contendere* to a felony;
11. Engages in dishonest or unethical conduct;
12. Fails to discharge any valid lien placed against the property of the business;
13. Makes an assignment for the benefit of creditors or an admission of Franchisee's inability to pay its obligations as they become due;
14. Files a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, disposition, adjustment, liquidation, dissolution or similar release under any law, or admitting or failing to contest the material allegations of any such pleading filed against him, or is adjudicated bankrupt or insolvent, or a receiver is appointed for a substantial part of the assets of Franchisee or the Business, or the claims of creditors of Franchisee or the Business are abated or subject to a moratorium under any laws;
15. Becomes insolvent or makes a general assignment for the benefit of creditors;
16. If a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee;
17. If a receiver or other custodian (permanent or temporary) of the Business, Franchisee, or Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction or by private instrument or otherwise;

18. If proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee;

19. If a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersede as bond is filed); or if Franchisee is dissolved or is wound up;

20. If execution is levied against Franchisee's business or property or against any ownership interest in Franchisee;

21. If any real or personal property of Franchisee's Business shall be sold after levy thereupon by any sheriff, marshal, or constable;

22. If, in violation of the terms of Sections XII, XVI and/or XX hereof, Franchisee, its principals, representatives, agents or employees disclose or divulge the contents of the Manual or other confidential information provided to Franchisee by Franchisor, or if Franchisee maintains false books or records, or submits any false reports to Franchisor;

23. If any inspection of Franchisee's records discloses an understatement of payments due Franchisor of four percent (4%) or more.

24. If Franchisee's alternate candidate for management training shall not adequately complete such management training program, after either Franchisee or Franchisee's designated individual previously failed to complete adequately the management training.

C. By Franchisee

If Franchisee is in compliance with this Agreement and Franchisor breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof is delivered to Franchisor, then Franchisee may terminate this Agreement and the franchise effective thirty (30) days after delivery to Franchisor of notice thereof.

XXIV. FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Franchisee Shall Cease Using Names and Marks

Franchisee further agrees that, upon termination or expiration of this Agreement, Franchisee shall immediately and permanently cease to use, by advertising, or any manner whatsoever, any confidential methods, procedures, descriptions of products, and techniques associated with Franchisor and the Names and Marks and any proprietary marks and distinctive forms, slogans, symbols, signs, logos or devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, stationery, forms, and any other articles which display the Names and Marks. Franchisee shall comply with the covenant not to compete and the agreement to maintain the confidentiality of proprietary information.

B. Franchisee Shall Cease Operating Business

Franchisee shall immediately cease to operate the Business under this Agreement, and shall not thereafter, directly or indirectly, represent itself to the public or hold itself out as a present or former Franchisee of Franchisor. In the event that Franchisor elects to exercise its right to assume the lease for the Accepted Location, Franchisee shall tender possession of the premises to Franchisor upon demand.

C. Franchisee May Not Adopt Confusingly Similar Names and Marks

Franchisee agrees, in the event it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Names and Marks, either in connection with such other business or in the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Names and Marks, and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor or a former association or connection with Franchisor.

D. Franchisee Shall Cancel Assumed Names and Transfer Phone Numbers

Franchisee further agrees that upon termination or expiration of this Agreement, it will take such action that may be required to cancel all assumed names or equivalent registrations relating to its use of any Names or Marks and to notify the telephone company and listing agencies of the termination or expiration of Franchisee's right to use any telephone number in any classified ad and any other telephone directory listings associated with the Names and Marks or with the Business and to authorize transfer of same to Franchisor. Franchisee acknowledges that as between Franchisor and Franchisee, Franchisor has the sole rights to and interest in all telephone number and directory listings associated with any Names or Marks of the Business. Franchisee further authorizes Franchisor, and hereby appoints Franchisor as its attorney in fact, to direct the telephone company and all listing agencies to transfer same to Franchisor, should Franchisee fail or refuse to do so, and the telephone company and all listing agencies may accept such direction in this Agreement as conclusive evidence of the exclusive rights of Franchisor in such telephone numbers and directory listings and its authority to direct their transfer.

E. Franchisee Must Return Manual and Other Materials

Franchisee further agrees that upon termination or expiration of this Agreement, it will immediately return to Franchisor all copies of the Manual, training aids and any other materials which have been loaned to it by Franchisor. Franchisee further agrees to turn over to Franchisor any other manuals, computer programs, software, client lists, client data, records, files, instructions, correspondence and brochures, and any and all other confidential and proprietary materials relating to the operation of the Business in Franchisee's possession, custody, or control, and all copies thereof (all of which are acknowledged to be Franchisor's property).

F. Franchisor May Purchase Franchisee's Assets and/or Equipment

Franchisor shall have the right (but not the obligation), to be exercised by notice of intent within thirty (30) days after termination or expiration, to purchase any or all of the Franchisee's inventory, equipment, supplies, signage, advertising materials and/or items bearing Franchisor's Names and Marks, and/or used in connection with the operation of the Business, at fair market value (less the amount of any outstanding liens or encumbrances). If the parties cannot agree on a fair market value within a reasonable time, an independent appraiser shall be designated by Franchisor, and determination of such appraiser shall be binding. If Franchisor elects to exercise any option to purchase as herein provided, it shall have the right to set off all amounts due from Franchisee, and the cost for the appraisal, if any, against any payment therefore.

G. Franchisee Must Pay Monies Owed to Franchisor

Franchisee shall pay to Franchisor, within fifteen (15) days after the effective date of termination or expiration of this Agreement, such Royalties, National Fund contributions, payments for inventory,

equipment or merchandise, or any other sums owed to Franchisor by Franchisee, which are then unpaid. Thereafter, Franchisee shall continue to pay Franchisor a Royalty for any and all Gross Income earned during the term of this Agreement and received by Franchisee after the effective date of termination or expiration of this Agreement within fifteen (15) days after receipt. Franchisee shall pay to Franchisor all damages, costs, and expenses, including reasonable attorney's fees, incurred by Franchisor in obtaining injunctive or other relief for the enforcement of any provisions of Section XIX.

XXV. ENFORCEMENT

A. Franchisee May Not Withhold Payments Due Franchisor

Franchisee agrees that he, she or it will not withhold payments of any Base Royalty Fees or any other amounts of money owed to Franchisor for any reason, on grounds of alleged nonperformance by Franchisor of any obligation hereunder. All such claims by Franchisee shall, if not otherwise resolved by Franchisor and Franchisee, be submitted to arbitration as provided in this Agreement.

B. Severability and Substitution of Valid Provisions

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and any partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required hereunder, or requires the taking of some other action not required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

C. Applicable Law

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), the Federal Arbitration Act, or other federal law, this Agreement will be interpreted under the laws of the State of New Jersey (the "State"), and any dispute between the parties will be governed by and determined in accordance with the substantive internal laws of the State, which laws shall prevail in the event of any conflict of law.

D. Dispute Resolution

1. Except for actions that are related to or based on the Names or Marks, which, at Franchisor's sole discretion, may be submitted to binding arbitration or to a court of competent jurisdiction in the State, all disputes, claims or controversies (collectively "Claims") between Franchisor, its subsidiaries and affiliated companies or their shareholders, officers, directors, limited liability company members or managers, partners, agents and employees, as applicable (collectively "Franchisor Parties"), and Franchisee or its Principals, employees, officers, directors, members, managers, partners, or guarantors, as applicable (collectively "Franchisee Parties") arising out of or related to this Agreement or the System, will be submitted for arbitration to the Jersey City, New Jersey, office of the American Arbitration Association ("AAA"), on demand of either party. The term "Claim" shall have the broadest reasonable meaning, including initial claims, counterclaims, cross-claims and third-party claims. The term "Claim" does not include, however, any dispute about the validity, enforceability, arbitrability or scope of this arbitration provision. However, any dispute that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court to decide. Notwithstanding the language above, if the action is based on a separate agreement or instrument between Franchisor and Franchisee (such as a promissory note or lease), the dispute resolution provision in that agreement or instrument will control rather than this Section. Arbitration proceedings will be conducted in Jersey City, New Jersey, and will be heard by a

single arbitrator in accordance with the then-current Rules of the AAA that applies to commercial arbitration. The Arbitrator must be a resident of the State and knowledgeable of the law of the State, and the arbitration shall be conducted in English. The parties agree that, in connection with any arbitration proceeding, each will file any compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within 30 days after the date of the filing of the claim to which it relates. This Section D.1 will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

2. Arbitration will be conducted on an individual basis only. Neither party shall commence any arbitration with a third party against the other or join with any third party in any arbitration involving Franchisor and Franchisee. Further, neither Franchisor nor Franchisee shall attempt to consolidate or otherwise combine in any manner an arbitration proceeding involving any Franchisor Party and any Franchisee Party with another arbitration of any kind, nor shall Franchisor or Franchisee attempt to certify a class or participate as a party in a class action against the other. Notwithstanding the foregoing, if Franchisee controls, is controlled by, or is in active concert with another franchisee of Franchisor, or if there is a guarantor of some or all of the Franchisee's obligations to Franchisor, then the joinder of those parties to any arbitration between Franchisor and Franchisee shall be permitted; and in all events, the joinder of an owner, director, officer, member, manager, partner or other representative or agent of Franchisor or Franchisee shall be permitted.

3. Notwithstanding anything to the contrary contained in this Agreement Franchisor and Franchisee will each have the right in a proper case to obtain temporary or preliminary injunctive relief from a court of competent jurisdiction. Each party agrees that the other party may have such temporary or preliminary injunctive relief, without bond, but upon due notice, and with the sole remedy in the event of the entry of such injunctive relief being the dissolution of such injunctive relief, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of such injunction being expressly waived by each party).

4. The arbitrator will have the right to award or include in the award any relief with he/she deems proper in the circumstances, including without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, in accordance with this provision; provided that the arbitrator will not award exemplary or punitive damages. The award and decision of the arbitrator will be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction. Each party waives any right to contest the validity or enforceability of such award.

5. Any party may apply to the arbitrator for reasonable discovery from the other. The arbitrator shall have the right to impose sanctions against a party that fails or refuses to respond to discovery allowed by the arbitrator, including but not limited to an award in favor of the party requesting the discovery.

E. Consent to Jurisdiction

If a claim is asserted in any legal proceeding involving any Franchisee Party and any Franchisor Party which is not subject to mandatory arbitration, as specified in Section D.1 above, the parties agree that the exclusive venue for disputes between them will be in the state and federal courts of Jersey City, New Jersey, and each waives any objection either may have to the personal jurisdiction of or venue in the state and federal courts of the State. Each of the Franchisor Parties and the Franchisee Parties waives its right to a trial by jury.

F. Dispute Resolution Expense

The prevailing party in any action arising out of or related to this Agreement (including an action to compel arbitration) is entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees and costs of collecting monies owed, in addition to all amounts and damages awarded. If both parties are awarded a judgment in any dollar amount, the court or arbitrator, as applicable, shall determine the prevailing party taking into consideration the merits of the claims asserted by each party, the amount of the judgment received by each party and the relative equities between the parties.

G. Interest on Default

Upon a default concerning money owed by Franchisee to Franchisor, Franchisor is entitled to recover interest on the past due amount at the rate of the lesser of 16% per annum or the highest rate permitted by applicable law, accruing from the date of default until fully paid.

H. Modifications by an Arbitrator or Court

Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that results from a court or arbitrator of competent jurisdiction striking from any of the provisions hereof any portion or portions held to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from a court or arbitrator of competent jurisdiction reducing the scope of any promise or covenant. If any court or arbitrator of competent jurisdiction declares any provision(s) or covenant(s) (including but not limited to, any covenant not to compete) of this Agreement unenforceable because of unreasonableness or being overly broad or any other reason, the Franchisee agrees to be bound to Franchisor under the terms and conditions of such provision or covenant to the maximum extent allowed by law. The remaining provisions of this Agreement shall not be affected by such modification.

I. Rights of Parties Are Cumulative

The rights of Franchisor and Franchisee are cumulative, and the exercise or enforcement by Franchisor or Franchisee of any right or remedy shall not preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder which Franchisor or Franchisee is entitled by law to enforce by the provisions of this Agreement or of the Manual.

J. Judicial Enforcement, Injunction and Specific Performance

Franchisor shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in Section XXIII of this Agreement, to collect any amounts owed to Franchisor for any unpaid Base Royalty Fees, or other unpaid charges due hereunder, arising out of the business conducted by Franchisee pursuant hereto, and to pursue any rights it may have under any leases, subleases, sales, purchases, or security agreements or other agreements with Franchisee. Franchisor shall be entitled, without bond, to the entry of temporary or permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunction or orders of specific performance, Franchisee agrees to pay to Franchisor an amount equal to the aggregate costs of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation, court costs, and other litigation expenses, travel and living expenses, and any damages incurred by Franchisor as a result of the breach of any provision of this Agreement.

K. Construction

Any other agreements or instruments referred to herein or which relate to the purchase or lease by Franchisee from Franchisor of any furniture, fixtures, signs, equipment, merchandise, or the like, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor or Franchisee relating to the subject matter of this Agreement. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs. The term "Franchisee" as used herein is applicable to one (1) or more persons, a corporation or partnership, as the case may be, the singular usage includes the plural, and the masculine and neuter usages include the other and the feminine. References to "Franchisee" applicable to an individual or individuals shall mean the owner or owners of the equity or if Franchisee is a corporation or other legal entity shall mean the Principals.

L. Attorney Fees

In the event any legal proceedings between the parties hereto arise under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs from the other party.

M. Binding Effect

This Agreement is binding upon the parties hereto and their respective permitted assigns and successors in interest.

N. There Are No Unwritten Agreements; Operations Manual is Subject to Change

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto. The Manual may be amended at any time by Franchisor, however, and Franchisee shall adapt its methods or procedures to comply with the requirements thereof.

O. Entire Agreement

This Agreement, the documents referred to herein, and the attachments hereto, if any, constitute the entire, full, and complete Agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede all prior agreements. Except for those acts permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Regardless of anything contained herein to the contrary, nothing contained in this Agreement or any related agreement is intended to disclaim the representation made by Franchisor in the Franchise Disclosure Document.

P. Force Majeure

Except for monetary obligations hereunder, or as otherwise specifically provided in this Franchise Agreement, if either party to this Agreement shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, or other causes beyond the reasonable control of the party required to perform such work or act under the terms of this Agreement not the fault of such party, then performance of such act shall be excused for the period of the delay, but in no event to exceed ninety (90) days from the stated time periods

as set forth in Article I of this Franchise Agreement.

XXVI. APPROVALS AND WAIVERS

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefore, and such approval or consent shall be obtained in writing.

Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee or in connection with any consent, or by reason of any neglect, delay, or denial of any request therefore.

No failure of Franchisor to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default or breach by Franchisee shall not affect or impair Franchisor's rights with respect to any subsequent default or breach of the same, similar or different nature, nor shall any delay, forbearance, or omission, breach or default by Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions, or covenants hereof, affect or impair Franchisor's right to exercise the same, nor shall such constitute a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

XXVII. AUTHORITY

Franchisee or, if Franchisee is a corporation or partnership, the Principals executing this Agreement, have all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon Franchisee and Principals and Franchisee's and Principals' successors and assigns when executed. Franchisee and Principals acknowledge the restrictions which this Agreement places upon their right to transfer their respective interests in the partnership or corporation, as set forth in Section XXII herein.

XXVIII. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified, registered or express mail, return receipt requested, or by overnight delivery service, to the respective parties at the addresses set forth in the introductory paragraph of this Agreement, unless and until a different address has been designated by written notice to the other party.

Any notice by certified, registered or express mail, or overnight delivery service, shall be deemed to have been given at the earlier of the date and time of receipt or refusal of receipt or, if by mail, three (3) business days after being deposited in the United States mail.

XXIX. ACKNOWLEDGMENTS

Franchisee acknowledges the truthfulness of the statements in Attachment 4 hereto. Franchisee's

acknowledgments are an inducement for Franchisor to enter into this Agreement. Franchisee shall immediately notify Franchisor, prior to acknowledgment, if any statement in Attachment 4 is incomplete or incorrect.

The parties hereto have duly executed, sealed and delivered this Agreement on this day of _____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

ATTACHMENT 1 TO FRANCHISE AGREEMENT

SPOUSAL GUARANTY

This Guaranty and Covenant (this “Guaranty”) is given by the undersigned (“Guarantor”) on _____ (the “Effective Date”), to DHH Group, Inc., a New Jersey limited liability company (“Franchisor”), in order to induce Franchisor to enter into that certain Franchise Agreement dated on or about the Effective Date hereof (the “Franchise Agreement”) with _____, a(n) _____, _____ and _____ (collectively “Franchisee”).

Guarantor acknowledges that Guarantor is the spouse of Franchisee’s Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty is in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Articles XVI and XIX of the Franchise Agreement (“Guaranteed Obligations”). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor’s rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one (1) or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

Signature

Name:_____

Address:_____

ATTACHMENT 2 TO FRANCHISE AGREEMENT

ACCEPTED LOCATION/DEFINED TERRITORY AND MAP

Accepted Location:

The Business shall be located within the State of _____ in the county(ies) of _____, and in the Designated Marketing Area, as specified by Arbitron, of _____. The exact address of the Accepted Location is _____.

Defined Territory and Map:

[INSERT DESCRIPTION OF DEFINED TERRITORY]

[INSERT MAP OF DEFINED TERRITORY]

ATTACHMENT 3 TO FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT **(for trained employees, managers and Elder Advocates of Franchisee)**

In consideration of my being a _____ of _____ (“Franchisee”), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____ (the “Franchise Agreement”), Franchisee has acquired the right and franchise from DHH Group, Inc. d/b/a My Elder (the “Company”) to establish and operate a My Elder consulting firm (the “Franchised Business”) and the right to use in the operation of the Franchised Business the Company’s trade names, service marks, trademarks, logos, emblems, patents, provisional patents, and indicia of origin and other intellectual property (collectively, the “Intellectual Property”), as they may be changed, improved and further developed from time to time in the Company’s sole discretion, only at the following authorized and accepted location: _____ (the “Accepted Location”).

2. The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the “System”) relating to the establishment and operation of Franchised Businesses, which feature and offer for sale to the public comprehensive elder care advisory services and related services. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes in addition to the Intellectual Property, certain proprietary trade secrets, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (collectively, the “Confidential Information”).

3. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

4. As _____ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company’s Confidential Operations Manual (the “Manual”), and other general assistance during the term of the Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any business which: (a) is the same as, or substantially similar to, a Franchised Business; or (b) offers to sell or sells any products or services which are substantially the same as the products and services as a Franchised Business (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 Franchisee's Territory, as defined in the Franchise Agreement ("Franchisee's Territory");

7.2 Twenty-five (25) miles of Franchisee's Territory; or

7.3 Twenty-five (25) miles of any Franchised Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

11. This Agreement shall be construed under the laws of the State of New Jersey. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature

Name

Address

Title

ACKNOWLEDGED BY FRANCHISEE:

By:_____

Name:_____

Title:_____

ATTACHMENT 4 TO FRANCHISE AGREEMENT

FRANCHISEE ACKNOWLEDGEMENT STATEMENT

You hereby acknowledge the following:

1. You have conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. You further acknowledge that, except as may be set forth in our Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to you by us and you and any and all Principals hereby waive any claim against us for any business failure you may experience as a franchisee under this Agreement.

Initial

2. You have conducted an independent investigation of the business contemplated by this Agreement and understand and acknowledge that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of you and your efforts as an independent business operation.

Initial

3. You agree that no claims of success or failure have been made to you prior to signing the Franchise Agreement and that you understand all the terms and conditions of the Franchise Agreement. You further acknowledge that the Franchise Agreement contains all oral and written agreements, representations and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

Initial

4. You have no knowledge of any representations by us or our officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated herein. You acknowledge that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. You represent, as an inducement to our entry into this Agreement, that you have made no misrepresentations in obtaining the Franchise Agreement.

Initial

5. You expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

Initial

6. You acknowledge that our approval or acceptance of your Franchised Business' location does not constitute a warranty, recommendation or endorsement of the location for the Franchised Business, nor any assurance by us that the operation of the Franchised Business at the premises will be successful or profitable.

Initial

7. You acknowledge that you have received the DHH Group, Inc. Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. You further acknowledge that you have read such Franchise Disclosure Document and understand its contents.

Initial

8. You acknowledge that you have had ample opportunity to consult with your own attorneys, accountants and other advisors and that the attorneys for us have not advised or represented you with respect to the Franchise Agreement or the relationship thereby created.

Initial

9. You, together with your advisers, have sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement.

Initial

10. You are aware of the fact that other present or future franchisees of ours may operate under different forms of agreement(s), and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances.

Initial

11. It is recognized by the parties that we are also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that we do not warrant that such products will not be sold within your Defined Territory by others who may have purchased such products from us.

Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT, YOU AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF YOUR AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE DHH GROUP, INC. AND MY ELDER ADVOCATE LLC AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF.

Initial

Acknowledged this day of _____.

PRINCIPAL:

FRANCHISEE:

Signature

Name: _____

By: _____

Name: _____

Title: _____

ELECTRONIC DEPOSITORY TRANSFER ACCOUNT AGREEMENT
AUTHORIZATION AGREEMENT FOR DIRECT WITHDRAWALS
(ACH DEBITS)

MyElder FA 2020 ii

Date _____ Fax No. _____

Email Address _____

ATTACHMENT 6 TO FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

THIS COLLATERAL ASSIGNMENT OF LEASE is made, as of the last date below written, by and between _____ (the "Assignor") and DHH Group, Inc. (the "Assignee").

WHEREAS, the Assignor and the Assignee have entered into that certain Franchise Agreement, dated _____ (the "Franchise Agreement"), wherein Assignee granted Assignor a franchise to operate a My Elder® franchised business at _____; and

WHEREAS, the Assignor is a party to that certain Lease Agreement, dated _____ (the "Lease"), between the Assignor, as lessee, and _____, as lessor ("the Lessor"), wherein the Assignor agreed to lease from the Lessor, and the Lessor agreed to lease to the Assignor, the premises more fully described therein, pursuant to the terms and provisions of the Lease; and

WHEREAS, in order to induce the Assignee to enter into the Franchise Agreement, the Assignor has agreed to assign to the Assignee all of the Assignor's right, title and interest in, to and under the Lease, with the right to reassign, pursuant to this instrument, as security for the Assignor's obligations and the Assignee's rights under the Franchise Agreement.

NOW THEREFORE, in consideration for the foregoing premises and the mutual promises contained in the Franchise Agreement, as well as for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Assignor and conclusively established, and in order to further secure the Assignor's obligations and the Assignee's rights under the Franchise Agreement, the Assignor does hereby assign, transfer and set over unto the Assignee, with the right to reassign, all of the Assignor's right, title and interest in, to and under the Lease; it being nevertheless expressly understood and agreed that this assignment is made upon the following terms, covenants, limitations and conditions:

(i) The Assignor shall retain all of its rights under the Lease, in accordance with the terms and conditions thereof, until the termination of the Franchise Agreement by either Assignee or Assignor.

(ii) In the event of the termination of the Franchise Agreement by either Assignee or Assignor, the Assignee may, at its option, upon written notice to the Assignor and the Lessor, assume the Lease and all of the Assignor's rights and obligations thereunder. Upon exercise of this option, the Assignee shall be deemed to be substituted as a party to the Equipment Lease, in the place and stead of the Assignor, and shall be deemed to have assumed expressly all of the terms, covenants and obligations of the Lease theretofore applicable to the Assignor and shall likewise be entitled to enjoy all of the rights and privileges granted to the Assignor under the terms and conditions of the Lease. Notwithstanding the foregoing, Assignor shall in all events remain fully obligated for all of its obligations under the Lease with respect to the period through and including the date that Assignee exercises its rights under this Paragraph 2 (the "Exercise Date").

(iii) So long as the Assignee shall not have exercised its option to assume Assignor's rights and obligations under the Lease under the foregoing provisions, the Assignee shall not be liable for any of the Assignor's obligations under the Lease, and the Assignor shall remain solely liable for all such obligations. Assignor shall reimburse Assignee, upon demand, for any payments made by Assignee under the Lease with respect to the period through and including the Exercise Date.

AND FURTHER, the Lessor unites in this assignment for the purpose of indicating its consent to the aforesaid assignment to the Assignee, with the right to reassign, and hereby agrees with the Assignor and the

Assignee that, in the event of any default by the Assignor under the Lease, the Lessor will provide to Assignee the same notice and opportunity to cure with respect to such default as is currently provided to the Assignor under the Lease; and that, so long as the Assignee has not assumed the Lease, the Assignee shall not be liable for any other obligations of the Assignor thereunder, and the Assignor shall remain solely liable for all such obligations.

The parties hereto have executed this Collateral Assignment of Lease this day of _____
_____.

ASSIGNEE:
DHH GROUP, INC.

ASSIGNOR:

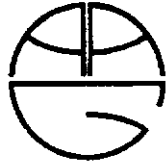
By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

LESSOR:

By: _____
Name: _____
Title: _____

EXHIBIT C TO THE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

DDH GROUP, INC.

MARCH 31, 2020

FINANCIAL STATEMENTS

DDH GROUP, INC.

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A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

April 7, 2020

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders of
DHH Group, Inc.:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying financial statements of DHH Group, Inc., which consist of a balance sheet as of March 31, 2020 and the related statements of income, changes in stockholders' equity and cash flows for the period then ended and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DHH Group, Inc. as of March 31, 2020 and the results of operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in dark ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the letters "A", "I", and "Q" being particularly prominent.

A. Andrew Gianiodis

Certified Public Accountant

Amherst, New York

DHH Group, Inc.

Balance Sheet March 31, 2020

ASSETS

CURRENT ASSETS

Cash	\$	21,540
Accounts Receivable		-

TOTAL CURRENT ASSETS		<u>21,540</u>
----------------------	--	---------------

OTHER ASSETS

		<u>-</u>
TOTAL ASSETS	\$	<u><u>21,540</u></u>

LIABILITIES & EQUITY

CURRENT LIABILITIES

Due to Stockholders	\$	-
---------------------	----	---

TOTAL CURRENT LIABILITIES		<u>-</u>
---------------------------	--	----------

STOCKHOLDER'S EQUITY

Common Stock. No par value, 200 shares issued and outstanding		100
Additional paid in capital		23,000
Accumulated Deficit		<u>(1,560)</u>

TOTAL STOCKHOLDER'S EQUITY		<u>21,540</u>
----------------------------	--	---------------

TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	\$	<u><u>21,540</u></u>
--	----	----------------------

See accompanying notes

DHH Group, Inc.
Statement of Operations
Period January 1 through March 31, 2020

Revenues	
Initial franchise fee	\$ -
Royalties	-
Consulting	-
Total revenue	<u>-</u>
Expenses	
Advertising	500
Bank Fees	20
Office expenses	26
Professional fees	<u>1,014</u>
Total expenses	<u>1,560</u>
Net Loss	<u>\$ (1,560)</u>

See accompanying notes

DHH Group, Inc.

Statement of Changes in Stockholder's Equity Period January 1 through March 31, 2020

	Common Stock	Retained Earnings	Total Stockholder's Equity
Equity, January 1, 2020	\$ -	\$ -	-
Stock Sales	23,100	-	23,100
Net Loss	<u>-</u>	<u>(1,560)</u>	<u>(1,560)</u>
Equity at March 31, 2020	<u><u>\$ 23,100</u></u>	<u><u>\$ (1,560)</u></u>	<u><u>21,540</u></u>

See accompanying notes

DHH Group, Inc.
Statement of Cash Flows
Period January 1 through March 31, 2020

Cash flows from operating activities:

Net Loss	\$	(1,560)
----------	----	---------

Adjustments to reconcile net loss to net cash provided by operating activities:

Depreciation & amortization		-
-----------------------------	--	---

Changes in assets and liabilities

Current assets		-
----------------	--	---

Current liabilities		-
---------------------	--	---

Net cash provided by operating activities		(1,560)
---	--	---------

Cash flows from investing activities:

Purchase of fixed assets		-
--------------------------	--	---

Intangible assets		-
-------------------	--	---

Net cash provided by investing activities		-
---	--	---

Cash flows from financing activities:

Stock Sale		23,100
------------	--	--------

Net cash provided by financing activities		23,100
---	--	--------

Net increase in cash		21,540
----------------------	--	--------

Cash - beginning of year		-
--------------------------	--	---

Cash - end of year	\$	21,540
--------------------	----	--------

Supplemental Disclosures

Interest Paid	\$	-
---------------	----	---

Income Taxes Paid	\$	-
-------------------	----	---

See accompanying notes

DHH GROUP, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of DHH Group, Inc. (“the Company”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of New Jersey for the purpose of offering franchise opportunities to entrepreneurs who want to own and operate their own “MyElderAdvocate” operation as a franchise under the terms of a license agreement dated September 8, 2014. The Company was created to become the successor of a New York corporation which currently operates as the franchisor. The conversion of all contracts will commence in April 2020.

The franchisees will continue to offer elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder housing evictions, elder placement services, eldercare crisis management, eldercare home care planning, eldercare long-term planning, eldercare monitoring, preventing elder abuse and neglect, long distance caregiving and long-term care insurance.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Equipment and leasehold improvements are stated at cost. The depreciation method used for the equipment and leasehold improvements is double declining balance or straight line. Asset lives are 5 to 10 years.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

REVENUE RECOGNITION

The Company accounts for revenue using the accounting method prescribed under Accounting Standards Codification 606 (“ASC”) Topic Franchisors.

Deferred revenue consists of fees paid to the Company when a franchise agreement is signed. This revenue is deferred until all material services or conditions relating to the sale have been substantially performed or satisfied by the Company. In 2020, the Company recognized no franchise fees.

The Company similarly defers the related expenses specific to the franchise agreements, primarily sales commissions. Similarly, there are no prepaid commissions relating to the deferred revenue.

Royalty fees will be charged on a monthly basis and are recorded as earned.

COMPANY INCOME TAXES

The Company, with the consent of its stockholder, has elected to be treated as a C-Corporation. Federal income tax is calculated using rates as provided by the Internal Revenue Service. The Company reports taxes due in the current period only. Tax deferrals, if any, are immaterial. The Company has Net Operating Loss carryforwards to reduce current and future taxable income.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

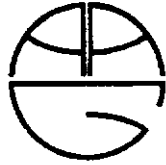
NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at March 31, 2020, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

NOTE 3 SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 7, 2020, the date that the financial statements were available to be issued.



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

DDH GROUP, INC.

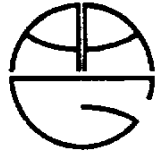
DECEMBER 31, 2019 AND 2018

FINANCIAL STATEMENTS

DDH GROUP, INC.

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A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

March 19, 2020

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders of
DHH Group, Inc.:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying financial statements of DHH Group, Inc., which consist of a balance sheet as of December 31, 2019 and 2018 and the related statements of income, changes in stockholders' equity and cash flows for the years then ended and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DHH Group, Inc. as of December 31, 2019 and 2018 and the results of operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in dark ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the "CPA" part written in a slightly more formal, blocky style at the end.

A. Andrew Gianiodis

Certified Public Accountant

Amherst, New York

DHH Group, Inc.
Balance Sheet
December 31, 2019 and 2018

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash	\$ 25,161	\$ 35,000
Accounts Receivable	28,668	45,000
Prepaid expenses	14,372	
Investments	76,790	76,790
TOTAL CURRENT ASSETS	<u>144,991</u>	<u>156,790</u>
FIXED ASSETS, (net)	<u>13,419</u>	<u>-</u>
OTHER ASSETS		
Intangible Assets (Net)	<u>596,000</u>	<u>237,131</u>
TOTAL ASSETS	<u><u>\$ 754,410</u></u>	<u><u>\$ 393,921</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Due to Stockholders	<u>\$ 671,040</u>	<u>\$ 618,168</u>
TOTAL CURRENT LIABILITIES	<u>671,040</u>	<u>618,168</u>
STOCKHOLDER'S EQUITY		
Common Stock. No par value, 200 shares issued and outstanding	152,694	152,694
Additional paid in capital	300,000	-
Accumulated Deficit	<u>(369,324)</u>	<u>(376,941)</u>
TOTAL STOCKHOLDER'S EQUITY	<u>83,370</u>	<u>(224,247)</u>
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	<u><u>\$ 754,410</u></u>	<u><u>\$ 393,921</u></u>

See accompanying notes

DHH Group, Inc.
Statement of Operations
Year ending December 31, 2019 and 2018

	2019	2018
Revenues		
Initial franchise fee	\$ -	\$ 20,000
Royalties	33,400	14,949
Consulting	51,211	51,000
Total revenue	<u>84,611</u>	<u>85,949</u>
Expenses		
Advertising	11,550	73,916
Bank Fees	-	2,330
Consultant	1,750	35,996
Dues & subscriptions	4,869	6,023
Franchise development	17,191	1,000
Insurance	2,056	2,211
Office expenses	3,417	4,075
Professional fees	19,473	15,674
Registrations	382	2,609
Travel	14,815	10,771
Total expenses	<u>75,503</u>	<u>154,605</u>
Operating Income/(Loss)	<u>9,108</u>	<u>(68,656)</u>
Other Income		
Depreciation	<u>(1,491)</u>	<u>-</u>
Net Income/(Loss)	<u>\$ 7,617</u>	<u>\$ (68,656)</u>

See accompanying notes

DHH Group, Inc.

Statement of Changes in Stockholder's Equity Year ending December 31, 2019 and 2018

	Common Stock	Accumulated Deficit	Total Stockholder's Equity
Equity, January 1, 2018	\$ 152,694	\$ (308,285)	(155,591)
Stock Sales	-	-	-
Net Loss	<u>-</u>	<u>(68,656)</u>	<u>(68,656)</u>
Equity at December 31, 2018	<u>\$ 152,694</u>	<u>\$ (376,941)</u>	<u>(224,247)</u>
Equity, January 1, 2019	\$ 152,694	\$ (376,941)	(224,247)
Stock Sales	-	-	-
Net Loss	<u>-</u>	<u>7,617</u>	<u>7,617</u>
Equity at December 31, 2019	<u>\$ 152,694</u>	<u>\$ (369,324)</u>	<u>(216,630)</u>

See accompanying notes

DHH Group, Inc.
Statement of Cash Flows
Year ending December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Net Income/(Loss)	\$ 7,617	\$ (68,656)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation & amortization	-	-
Changes in assets and liabilities		
Current assets	1,960	(45,000)
Current liabilities	52,872	120,513
Net cash provided by operating activities	<u>62,449</u>	<u>6,857</u>
Cash flows from investing activities:		
Purchase of fixed assets	(13,419)	-
Intangible assets	(358,869)	-
Net cash provided by investing activities	<u>(372,288)</u>	<u>-</u>
Cash flows from financing activities:		
Stock Sale	300,000	
Net cash provided by financing activities	<u>300,000</u>	<u>-</u>
Net increase in cash	(9,839)	6,857
Cash - beginning of year	<u>35,000</u>	<u>28,143</u>
Cash - end of year	<u><u>\$ 25,161</u></u>	<u><u>\$ 35,000</u></u>
Supplemental Disclosures		
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -

See accompanying notes

DHH GROUP, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of DHH Group, Inc. is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of New York for the purpose of offering franchise opportunities to entrepreneurs who want to own and operate their own "MyElderAdvocate" operation as a franchise under the terms of a license agreement dated September 8, 2014. The franchisees will offer elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder housing evictions, elder placement services, eldercare crisis management, eldercare home care planning, eldercare long-term planning, eldercare monitoring, preventing elder abuse and neglect, long distance caregiving and long-term care insurance.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Equipment and leasehold improvements are stated at cost. The depreciation method used for the equipment and leasehold improvements is double declining balance or straight line. Asset lives are 5 to 10 years.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

REVENUE RECOGNITION

The Company accounts for revenue using the accounting method prescribed under Accounting Standards Codification 606 (“ASC”) Topic Franchisors.

Deferred revenue consists of fees paid to the Company when a franchise agreement is signed. This revenue is deferred until all material services or conditions relating to the sale have been substantially performed or satisfied by the Company. In 2019, the Company recognized no franchise fees.

The Company similarly defers the related expenses specific to the franchise agreements, primarily sales commissions. Similarly, there are no prepaid commissions relating to the deferred revenue.

Royalty fees will be charged on a monthly basis and are recorded as earned.

The Company elected to not restate the 2018 results of operations based on ASC 606.

COMPANY INCOME TAXES

The Company, with the consent of its stockholder, has elected to be treated as a C-Corporation. Federal income tax is calculated using rates as provided by the Internal Revenue Service. The Company reports taxes due in the current period only. Tax deferrals, if any, are immaterial. The Company has Net Operating Loss carryforwards to reduce current and future taxable income.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at December 31, 2019 and 2018, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

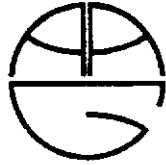
DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

NOTE 3 LICENSING AGREEMENT

On September 8, 2014, the Company entered into a 10-year exclusive license agreement with the Licensor, which will automatically renew for an additional term of one year after the initial 10-year term unless the parties mutually agree otherwise, for the use of the registered name “MyElderAdvocate”. Pursuant to the license agreement, the Company acquired the right to use the tradename, “MyElderAdvocate”, and sell “MyElderAdvocate” franchises in the United States of America and will pay the Licensor a license fee equal to 50% of the Company’s gross revenue, as defined.

NOTE 4 SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 19, 2020, the date that the financial statements were available to be issued.



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

DDH GROUP, INC.

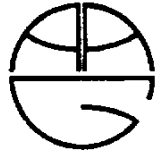
DECEMBER 31, 2018 AND 2017

FINANCIAL STATEMENTS

DDH GROUP, INC.

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A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

January 29, 2019

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders of
DHH Group, Inc.:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying financial statements of DHH Group, Inc., which consist of a balance sheet as of December 31, 2018 and 2017 and the related statements of income, changes in stockholders' equity and cash flows for the years then ended and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DHH Group, Inc. as of December 31, 2018 and 2017 and the results of operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in dark ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the "CPA" part written in a slightly more formal, blocky style at the end.

A. Andrew Gianiodis

Certified Public Accountant

Amherst, New York

DHH Group, Inc.
Balance Sheet
December 31, 2018 and 2017

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 35,000	\$ 28,143
Accounts Receivable	45,000	-
Investments	76,790	76,790
TOTAL CURRENT ASSETS	<u>156,790</u>	<u>104,933</u>
OTHER ASSETS		
Intangible Assets (Net)	<u>237,131</u>	<u>237,131</u>
TOTAL ASSETS	<u><u>\$ 393,921</u></u>	<u><u>\$ 342,064</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Due to Stockholders	\$ 618,168	\$ 497,655
TOTAL CURRENT LIABILITIES	<u>618,168</u>	<u>497,655</u>
STOCKHOLDER'S EQUITY		
Common Stock. No par value, 200 shares issued and outstanding	152,694	152,694
Accumulated Deficit	<u>(376,941)</u>	<u>(308,285)</u>
TOTAL STOCKHOLDER'S EQUITY	<u>(224,247)</u>	<u>(155,591)</u>
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	<u><u>\$ 393,921</u></u>	<u><u>\$ 342,064</u></u>

See accompanying notes

DHH Group, Inc.
Statement of Operations
Year ending December 31, 2018 and 2017

	2018	2017
Revenues		
Initial franchise fee	\$ 20,000	\$ 44,500
Royalties	14,949	1,914
Consulting	51,000	-
Total revenue	<u>85,949</u>	<u>46,414</u>
Expenses		
Advertising	73,916	50,243
Bank Fees	2,330	3,581
Consultant	35,996	29,626
Dues & subscriptions	6,023	-
Insurance	2,211	4,492
Labor	1,000	23,317
Office expenses	4,075	2,232
Professional fees	15,674	26,988
Registrations	2,609	6,868
Travel	10,771	8,185
Total expenses	<u>154,605</u>	<u>155,532</u>
Operating Loss	(68,656)	(109,118)
Other Income		
Stock Appreciation	<u>-</u>	<u>9,697</u>
Net Loss	<u>\$ (68,656)</u>	<u>\$ (99,421)</u>

See accompanying notes

DHH Group, Inc.

Statement of Changes in Stockholder's Equity Year ending December 31, 2018 and 2017

	Common Stock	Accumulated Deficit	Total Stockholder's Equity
Balance, January 1, 2017	\$ 152,694	\$ (208,864)	(56,170)
Stock Sales	<u>-</u>	<u>-</u>	<u>-</u>
Net Loss	<u>-</u>	<u>(99,421)</u>	<u>(99,421)</u>
Stockholder's equity at December 31, 2017	<u>\$ 152,694</u>	<u>\$ (308,285)</u>	<u>(155,591)</u>
Balance, January 1, 2018	\$ 152,694	\$ (308,285)	(155,591)
Stock Sales	<u>-</u>	<u>-</u>	<u>-</u>
Net Loss	<u>-</u>	<u>(68,656)</u>	<u>(68,656)</u>
Stockholder's equity at December 31, 2018	<u>\$ 152,694</u>	<u>\$ (376,941)</u>	<u>(224,247)</u>

See accompanying notes

DHH Group, Inc.
Statement of Cash Flows
Year ending December 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Net Loss	\$ (68,656)	\$ (99,421)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation & amortization	-	-
Changes in assets and liabilities		
Current assets	(45,000)	58,303
Current liabilities	120,513	257,941
Net cash provided by operating activities	<u>6,857</u>	<u>216,823</u>
Cash flows from investing activities:		
Intangible assets	<u>-</u>	<u>(190,000)</u>
Net cash provided by investing activities	<u>-</u>	<u>(190,000)</u>
Cash flows from financing activities:		
Stock Sale	<u>-</u>	<u>-</u>
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net increase in cash	6,857	26,823
Cash - beginning of year	<u>28,143</u>	<u>1,320</u>
Cash - end of year	<u><u>\$ 35,000</u></u>	<u><u>\$ 28,143</u></u>
Supplemental Disclosures		
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -

See accompanying notes

DHH GROUP, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of DHH Group, Inc. is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of New York for the purpose of offering franchise opportunities to entrepreneurs who want to own and operate their own "MyElderAdvocate" operation as a franchise under the terms of a license agreement dated September 8, 2014. The franchisees will offer elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder housing evictions, elder placement services, eldercare crisis management, eldercare home care planning, eldercare long-term planning, eldercare monitoring, preventing elder abuse and neglect, long distance caregiving and long-term care insurance.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Equipment and leasehold improvements are stated at cost. The depreciation method used for the equipment and leasehold improvements is double declining balance or straight line. Asset lives are 5 to 10 years.

REVENUE RECOGNITION

Initial franchise fees will be recorded as income when the company provides substantially all the initial services agreed upon in the franchise agreement or when the franchise has commenced operations, whichever comes first. If the fee is received over a period of time and the Company has no reasonable basis for estimating the collectability of the fee, the Company will use the installment method of recognition of the initial fee as revenue. Monthly royalty fees will be recognized when reported by the franchisee.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

COMPANY INCOME TAXES

The Company, with the consent of its stockholder, has elected to be treated as an C-Corporation. Federal income tax is calculated using rates as provided by the Internal Revenue Service. The Company reports taxes due in the current period only. Tax deferrals, if any, are immaterial.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at December 31, 2018 and 2017, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

NOTE 3 LINE OF CREDIT

On July 15, 2014, the Company entered into an Express Credit Line Loan agreement with a financial institution (the "Lender") for borrowings up to \$100,000. Balances drawn on the line of credit are due on demand, interest on outstanding balances is 4%. The line of credit is secured by the Company's assets and certain investment securities of one of the shareholders held by the Lender. There is a \$0 balance at December 31, 2018.

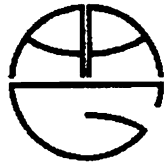
DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

NOTE 4 LICENSING AGREEMENT

On September 8, 2014, the Company entered into a 10-year exclusive license agreement with the Licensor, which will automatically renew for an additional of term of one year after the initial 10-year term unless the parties mutually agree otherwise, for the use of the registered name "MyElderAdvocate". Pursuant to the license agreement, the Company acquired the right to use the tradename, "MyElderAdvocate", and sell "MyElderAdvocate" franchises in the United States of America and will pay the Licensor a license fee equal to 50% of the Company's gross revenue, as defined.

NOTE 5 SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 19, 2019 the date that the financial statements were available to be issued.



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

DDH GROUP, INC.

DECEMBER 31, 2017 AND 2016

FINANCIAL STATEMENTS

DDH GROUP, INC.

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A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

January 15, 2018

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders of
DHH Group, Inc.:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying financial statements of DHH Group, Inc., which consist of a balance sheet as of December 31, 2017 and 2016 and the related statements of income, changes in stockholders' equity and cash flows for the years then ended and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion.

An audit also includes evaluating appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DHH Group, Inc. as of December 31, 2017 and 2016 and the results of operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the "CPA" part written in a smaller, more legible font at the end.

A. Andrew Gianiodis

Certified Public Accountant

Amherst, New York

DHH Group, Inc.
Balance Sheet
December 31, 2017 and 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 28,143	\$ 1,320
Accounts Receivable	-	68,000
Investments	76,790	67,093
TOTAL CURRENT ASSETS	<u>104,933</u>	<u>136,413</u>
OTHER ASSETS		
Intangible Assets (Net)	<u>237,131</u>	<u>47,131</u>
TOTAL ASSETS	<u><u>\$ 342,064</u></u>	<u><u>\$ 183,544</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Due to Stockholders	\$ 497,655	\$ 239,714
TOTAL CURRENT LIABILITIES	<u>497,655</u>	<u>239,714</u>
STOCKHOLDER'S EQUITY		
Common Stock. No par value, 200 shares issued and outstanding	152,694	152,694
Accumulated Deficit	<u>(308,285)</u>	<u>(208,864)</u>
TOTAL STOCKHOLDER'S EQUITY	<u>(155,591)</u>	<u>(56,170)</u>
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	<u><u>\$ 342,064</u></u>	<u><u>\$ 183,544</u></u>

See accompanying notes

DHH Group, Inc.
Statement of Operations
Year ending December 31, 2017 and 2016

	2017	2016
Revenues		
Initial franchise fee	\$ 44,500	\$ 68,000
Other franchise revenue	1,914	-
Total revenue	<u>46,414</u>	<u>68,000</u>
Expenses		
Advertising	50,243	26,293
Bank Fees	3,581	2,515
Consultant	29,626	23,158
Insurance	4,492	2,250
Labor	23,317	-
Miscellaneous	2,232	4,751
Professional fees	26,988	27,195
Registrations	6,868	6,349
Travel	8,185	-
Total expenses	<u>155,532</u>	<u>92,511</u>
Operating Loss	(109,118)	(24,511)
Other Income		
Stock Appreciation	<u>9,697</u>	<u>-</u>
Net Loss	<u>\$ (99,421)</u>	<u>\$ (24,511)</u>

See accompanying notes

- 3 -

DHH Group, Inc.

Statement of Changes in Stockholder's Equity Year ending December 31, 2017 and 2016

	Common Stock	Accumulated Deficit	Total Stockholder's Equity
Balance, January 1, 2016	\$ 152,694	\$ (184,353)	(31,659)
Stock Sales	<u>-</u>	<u>-</u>	<u>-</u>
Net Loss	<u>-</u>	<u>(24,511)</u>	<u>(24,511)</u>
Stockholder's equity at December 31, 2016	<u>\$ 152,694</u>	<u>\$ (208,864)</u>	<u>(56,170)</u>
Balance, January 1, 2017	\$ 152,694	\$ (208,864)	(56,170)
Stock Sales	<u>-</u>	<u>-</u>	<u>-</u>
Net Loss	<u>-</u>	<u>(99,421)</u>	<u>(99,421)</u>
Stockholder's equity at December 31, 2017	<u>\$ 152,694</u>	<u>\$ (308,285)</u>	<u>(155,591)</u>

See accompanying notes

DHH Group, Inc.
Statement of Cash Flows
Year ending December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Net Loss	\$ (99,421)	\$ (24,511)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation & amortization	-	-
Changes in assets and liabilities		
Current assets	58,303	(68,000)
Current liabilities	257,941	140,852
Net cash provided by operating activities	<u>216,823</u>	<u>48,341</u>
Cash flows from investing activities:		
Intangible assets	<u>(190,000)</u>	<u>(47,131)</u>
Net cash provided by investing activities	<u>(190,000)</u>	<u>(47,131)</u>
Cash flows from financing activities:		
Stock Sale		
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net increase in cash	26,823	1,210
Cash - beginning of year	<u>1,320</u>	<u>110</u>
Cash - end of year	<u><u>\$ 28,143</u></u>	<u><u>\$ 1,320</u></u>
Supplemental Disclosures		
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -

See accompanying notes

DHH GROUP, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of DHH Group, Inc. is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the State of New York for the purpose of offering franchise opportunities to entrepreneurs who want to own and operate their own "MyElderAdvocate" operation as a franchise under the terms of a license agreement dated September 8, 2014. The franchisees will offer elder care comprehensive advisory services to the elderly and their families that include, but are not limited to, elder housing evictions, elder placement services, eldercare crisis management, eldercare home care planning, eldercare long-term planning, eldercare monitoring, preventing elder abuse and neglect, long distance caregiving and long-term care insurance.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Company considers unrestricted currency, demand deposits, money market accounts and all highly liquid debt instruments purchased with original maturities of 90 days or less to be cash equivalents.

PROPERTY AND EQUIPMENT

Equipment and leasehold improvements are stated at cost. The depreciation method used for the equipment and leasehold improvements is double declining balance or straight line. Asset lives are 5 to 10 years.

REVENUE RECOGNITION

Initial franchise fees will be recorded as income when the company provides substantially all the initial services agreed upon in the franchise agreement or when the franchise has commenced operations, whichever comes first. If the fee is received over a period of time and the Company has no reasonable basis for estimating the collectability of the fee, the Company will use the installment method of recognition of the initial fee as revenue. Monthly royalty fees will be recognized when reported by the franchisee.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

COMPANY INCOME TAXES

The Company, with the consent of its stockholder, has elected to be treated as an C-Corporation. Federal income tax is calculated using rates as provided by the Internal Revenue Service. The Company reports taxes due in the current period only. Tax deferrals, if any, are immaterial.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at December 31, 2017 and 2016, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

NOTE 3 LINE OF CREDIT

On July 15, 2014, the Company entered into an Express Credit Line Loan agreement with a financial institution (the "Lender") for borrowings up to \$100,000. Balances drawn on the line of credit are due on demand, interest on outstanding balances is 4%. The line of credit is secured by the Company's assets and certain investment securities of one of the shareholders held by the Lender. There is a \$0 balance at December 31, 2017.

DHH GROUP, INC
NOTES TO FINANCIAL STATEMENTS

NOTE 4 LICENSING AGREEMENT

On September 8, 2014, the Company entered into a 10-year exclusive license agreement with the Licensor, which will automatically renew for an additional term of one year after the initial 10-year term unless the parties mutually agree otherwise, for the use of the registered name "MyElderAdvocate". Pursuant to the license agreement, the Company acquired the right to use the tradename, "MyElderAdvocate", and sell "MyElderAdvocate" franchises in the United States of America and will pay the Licensor a license fee equal to 50% of the Company's gross revenue, as defined.

NOTE 5 SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 15, 2018 the date that the financial statements were available to be issued.

EXHIBIT D TO THE DISCLOSURE DOCUMENT
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EXHIBIT E TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

(as of December 31, 2019)

NEW YORK	
<u>Lifesources Inc.</u> Bella Joy Kirschner 15 Bond Street Great Neck, New York 11021 516-847-1234	<u>Lifesources Inc.</u> (2 nd Unit) Bella Joy Kirschner 15 Bond Street Great Neck, New York 11021 516-847-1234
PENNSYLVANIA	
<u>Valron, Inc.</u> 821 Main Street, Suite 3 Pittsburgh, Pennsylvania 15215 412-782-4534	

FRANCHISEES WHO HAVE LEFT THE SYSTEM

(as of December 31, 2019)

NEW YORK	
<u>SueRue Inc.</u> 455 Tarrytown Road, Suite 1184 White Plains, New York 10607 914-292-0444	<u>SueRue Inc.</u> (2 nd Unit) 455 Tarrytown Road, Suite 1184 White Plains, New York 10607 914-292-0444

EXHIBIT F TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDUM

CALIFORNIA APPENDIX

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains provisions that is inconsistent with the law, the law will control.
2. The Franchise Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).
3. The Franchise Agreement contains covenant not to compete which extend beyond the termination of the agreement. This provision may not be enforceable under California law.
4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.
5. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.
6. The Franchise Agreement require binding arbitration. The arbitration will occur at Great Neck, New York with the costs being borne by both parties. 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.
7. The Franchise Agreement requires application of the laws of New York. This provision may not be enforceable under California law.
8. You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
9. 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.
10. OUR WEBSITE, www.MyElder.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS

WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

11. Payment of the initial franchise fee is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

ADDENDUM REQUIRED BY THE STATE OF ILLINOIS

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

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

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

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

All fees are deferred until all initial obligations owed the Franchisee by the Franchisor or affiliates have been completed and the Franchisee has commenced doing business/opened for business. This deferral has been imposed by the Illinois Attorney General's Office based on the Franchisor's financial condition.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of _____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE
STATE OF MARYLAND**

This will serve as the State Addendum for the State of Maryland for DHH Group, Inc.'s Franchise Disclosure Document.

1. Item 5 of the Disclosure Document is amended to state: "Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement."

2. Item 17 of the Disclosure Document is amended to state that 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.

3. Item 17 of the Disclosure Document is amended to state that a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Item 17 of the Disclosure Document is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. Item 17 of the Disclosure Document is amended to state that the provisions in the Franchise Agreement which provide for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

**ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF
MARYLAND**

This will serve as the State Addendum for the State of Maryland for DHH Group, Inc.'s Franchise Agreement. The amendments to the Franchise Agreement included in this addendum have been agreed to by the parties.

1. The Franchise Agreement is amended to state: "Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement."

2. The appropriate section of the Franchise Agreement is amended to permit a franchisee to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The appropriate section of the Franchise Agreement is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

4. The appropriate section of the Franchise Agreement is amended to state that 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.

5. The Franchise Agreement and the Franchisee Acknowledgment Statement are amended to include the following statement: "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."

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

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

- (a) A prohibition on the right of a franchisee to join an association of franchises.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (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 five (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 six (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) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division
Attn: Katharyn Barron
Michigan Department of Attorney General
525 W. Ottawa Street, 1st Floor
Lansing, Michigan 48933
(517) 335-7567

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PRINCIPALS:

Name: _____

Name: _____

ADDENDUM REQUIRED BY THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to this day of _____, and effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and Article XXIV of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee’s right to use the trademarks, service marks, trade names, logos or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use.”

2. Item 17 of the Disclosure Document and Article XXIII. of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes Sec. 80C.14, Subds.3, 4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.”

3. Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

“Minn. Stat. Sec. 80C.21 and Rule 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 agreements can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

4. Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release.”

5. Article XXV of the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

6. Article XXV of the Franchise Agreement regarding Limitations of Claims is hereby amended to comply with Minn. Stat. §80C.17, Subd. 5.

7. Item 6, Insufficient Fund Fees: NSF fees are governed by Minnesota Statute 604.113; which puts a cap of \$30 on a NSF check. This applies to everyone in Minnesota who accepts checks except banks.

8. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. The appropriate section of the Franchise Agreement is hereby amended accordingly.

9. Franchisor will defer the payment of the initial franchise fee and any other initial payment until Franchisee opens for business and is operating.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

ADDENDUM REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

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, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 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.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By:_____

Name:_____

Title:_____

By:_____

Name:_____

Title:_____

PRINCIPALS:

Name:_____

Name:_____

ADDENDUM REQUIRED BY THE STATE OF RHODE ISLAND

The following amends Item 17 and is required to be included within the Disclosure Document and shall be deemed to supersede the language in the Disclosure Document itself:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that:

“A provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

ADDENDUM REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for DHH Group, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

1. Additional Disclosure: The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable.

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

2. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of

_____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

PRINCIPALS:

Name: _____

Name: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF
WASHINGTON**

The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the Franchise Agreement and the franchise is open for business.

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 shall 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.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of _____.

FRANCHISEE:

FRANCHISOR:

DHH GROUP, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

PRINCIPALS:

Name: _____

Name: _____

EXHIBIT G TO THE DISCLOSURE DOCUMENT

RELEASE

This **RELEASE** ("Release") is made as of the latest date set forth on the signature page hereof between DHH GROUP, INC., d/b/a My Elder® ("Franchisor"), and the undersigned person or entity ("Franchisee").

Background

A. Franchisor and Franchisee have entered into a Franchise Agreement dated _____ for a franchised business located at _____ (the "Agreement").

B. Franchisee desires to [transfer] [renew] its franchise rights and Franchisor agrees to consent to such [transfer] [renewal], subject to the conditions contained herein.

NOW THEREFORE, incorporating the foregoing Background herein by reference and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Termination of Agreement. Franchisor and Franchisee agree and acknowledge that the Agreement is hereby immediately terminated and shall be of no further force or effect.

2. Conditions. This Release is expressly contingent upon the execution [by the transferee] [by Franchisee], concurrently with the execution of this Release, of Franchisor's current form of franchise agreement for the operation of a franchised business at _____ [and such other documents as the Franchisee and transferee have agreed upon and Franchisor has approved in connection with such transfer]. The franchise agreement described in this paragraph includes any ancillary agreements contained in Franchisor's current franchise disclosure document.

3. Release.

(a) Franchisee, to the fullest extent permitted by law, hereby forever releases and discharges Franchisor and waives any and all rights or Claims it has, may have, had, or may have had against Franchisor, its affiliates and each of their officers, directors, employees and representatives from the beginning of time until the date of this Release, of any kind, whether known or unknown, including but not limited to, any Claims arising under or related to the Agreement.

(b) As used in this paragraph 3, "Claims" means any and all manner of actions, causes of action, suits, debts, dues, sums of money, account reckonings, bonds, bills, specialties, covenants, contracts, controversies, sanctions, costs, attorneys' fees, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, of whatever kind or nature, whether absolute or contingent, known or unknown, matured or un matured, at law, in equity, or in any other proceeding.

(c) Nothing contained in this paragraph 3 is intended to affect the rights and responsibilities of the parties under any of the agreements described in paragraph 2 or any agreements between the parties which may be executed concurrently herewith.

4. Representations and Warranties. Franchisee represents and warrants to the Franchisor as follows:

(a) The execution and delivery of this Release does not violate any law applicable to Franchisee, Franchisee's organizational documents, or any other agreement binding upon Franchisee.

(b) Franchisee has the power and authority to execute and deliver this Release and has taken all necessary action (corporate or otherwise) to authorize the execution and delivery of this Release.

5. Miscellaneous.

(a) This Release shall be construed in accordance with and governed by the laws of the State of New York, without regard to its conflict of laws rules.

(b) This Release constitutes the sole agreement of the parties with respect to the subject matter hereof and thereof and supersedes all oral negotiations and prior writings with respect to the subject matter hereof and thereof. No amendment of this Release, and no waiver of any one or more of the provisions hereof shall be effective unless set forth in writing and signed by the parties hereto.

(c) This Release shall be binding upon the parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns, and shall inure to the benefit of the parties hereto and, where applicable, their respective heirs, executors, administrators, successors and permitted assigns.

The parties have caused this Release to be signed by their duly authorized representatives.

DHH GROUP, INC., d/b/a My Elder®

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

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
Maryland	February 18, 2020
Michigan	November 17, 2019
Minnesota	Pending
New York	Pending
Rhode Island	May 21, 2019, amended August 8, 2019
Virginia	August 17, 2019, amended October 29, 2019
Washington	September 25, 2019
Wisconsin	April 18, 2019, amended July 26, 2019

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H TO THE DISCLOSURE DOCUMENT

RECEIPTS

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If DHH Group, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If DHH Group, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580, and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Claudine Halpern 344 Grove Street, Suite 210 Jersey City, NJ 07302 (877)299-7502	Jack Halpern 344 Grove Street, Suite 210 Jersey City, NJ 07302 (877)299-7502
---	---

Issuance Date: April 9, 2020

I received a Disclosure Document date April 9, 2020, that included the following Exhibits:

EXHIBIT A: State Administrators/Agents for Service of Process
EXHIBIT B: Franchise Agreement with Attachments
EXHIBIT C: Financial Statements
EXHIBIT D: Operations Manual Table of Contents
EXHIBIT E: List of Franchisees and Franchisees Who Have Left the System
EXHIBIT F: State-Specific Addendum
EXHIBIT G: Release
EXHIBIT H: Receipts

DATED: _____

(Signature of recipient)

Print Name: _____

Address: _____

KEEP FOR YOUR RECORDS

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If DHH Group, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If DHH Group, Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580, and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Claudine Halpern 344 Grove Street, Suite 210 Jersey City, New Jersey 07302 (877)299-7502	Jack Halpern 344 Grove Street, Suite 210 Jersey City, New Jersey 07302 (877)299-7502
---	---

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EXHIBIT F: State-Specific Addendum
EXHIBIT G: Release
EXHIBIT H: Receipts

DATED: _____

(Signature of recipient)

Print Name: _____

Address: _____

Please return signed Receipt to: DHH Group, Inc.

344 Grove Street, Suite 210
Jersey City, New Jersey 07302