

FRANCHISE DISCLOSURE DOCUMENT



New Life Assisted Living, LLC
6901 Scarlet Oak Drive
Elkridge, Maryland 21075
410-926-0419
athomas@newlifeassistedliving.com
www.newlifeassistedliving.com

As a New Life franchisee, you will operate a business that provides assisted and nursing care services for elderly and disabled adults with a multidisciplinary team approach. The total investment necessary to begin operation of one New Life franchise is \$109,550 to \$202,000. This includes \$35,000 that must be paid to the franchisor. The total investment necessary to begin operation under a franchise Multi-Unit Development Agreement (including the first area) for three locations is \$164,550 to \$257,000. This includes \$90,000 that must be paid to the franchisor. The initial franchise fee for the second unit is reduced to \$30,000 and to \$25,000 for each unit after the second. There is a minimum of two franchises under the development agreement.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Alvin Thomas, 6901 Scarlet oak Drive, Elkridge, Maryland.

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

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

Issuance date: April 16, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit G.
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 E 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 New Life 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 New Life franchisee?	Item 20 or Exhibit G lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution** The franchise agreement requires you to resolve disputes with us by mediation, arbitration and litigation only in Maryland. Out-of-state mediation, arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate and litigate with us in Maryland than in your own state.
2. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Spousal Liability**. Your spouse may be required to sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
5. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer

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

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

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

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

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

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Exhibits

- A. State Administrators and Agents for Service of Process
 - B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
 - C. Multi-Unit Development Agreement
 - D. Form of General Release
 - E. Financial Statements
 - F. Operations Manual Table of Contents
 - G. Current and Former Franchisees
 - H. State Addenda to Disclosure Document
 - I. State Addenda to Agreements
- State Effective Dates
Receipt (2 copies)

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, “we,” “us,” or “our” refers to New Life Assisted Living, LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

We are New Life Assisted Living, LLC. We are a Maryland limited liability company that was formed in August 2023. Our principal business address is 6901 Scarlet Oak Drive Elkridge, Maryland 21075. We do not have any parent company or predecessors. We have not offered franchises in any other line of business. We operate under our corporate name, “New Life Assisted Living.” We do not conduct business under any other name.

We do not operate businesses of the type being franchised, but we have affiliates that operate five assisted living facilities in Maryland that are substantially similar to the franchise offered. Our affiliate opened its first assisted living service in 2001. Neither we nor any affiliate has offered franchises in any other line of business.

We have offered franchises since February 1, 2024. Our agents for service of process are disclosed in Exhibit A. If your state is not listed on Exhibit A and we do not have an agent for service of process in your state, service of process should be made on us at our principal place of business.

If you sign a franchise agreement with us, you will operate a business that provides assisted and nursing care services for elderly and disabled adults with a multidisciplinary team approach. If you sign a Multi-Unit Development Agreement, you will develop multiple New Life outlets on an agreed-upon schedule. For each future unit franchise, we will require you to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

Market and Competition

Your services are offered year-round. The primary market for ALL Businesses consists of seniors and disabled persons and their families. The market for assisted living services is growing and based on current statistics and projections, will continue to grow due to the increasing number of seniors in need of assisted living, senior housing and care services. The market for senior placement services is moderately competitive. You will compete with other businesses that offer senior placement services such as local senior-assisted living, non-medical home health care agencies, as well as nursing homes and other out-of-home senior living facilities. Some of your competitors operate through franchise systems.

Laws and Regulations

You will also be subject to state and local licensing laws, codes, and regulations, as they relate to the operation of the business. You may also need to comply with the Health Insurance Portability and Accountability Act of 1996 and Title XIII of the American Recovery and Reinvestment Act of 2009. You

must sign the form of HIPAA Business Associate Agreement that we specify from time to time. A specialty permit or license. Nursing services may require additional licensure.

In addition to the industry-specific laws above, you must comply with all laws that apply to businesses generally.

You will also be subject to national, state, and local regulations that apply to all businesses, such as laws governing discrimination and sexual harassment in the work place, minimum wage, smoking in public areas, EEOC and OSHA standards, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes, the Americans With Disabilities Act ("ADA"), Occupational Safety and Health Act ("OSHA"), Fair and Accurate Credit Transactions Act ("FACTA"), privacy of consumer, employee and transactional information, payment card industry data security standards, wage and hour laws, and business licensing and permit requirements. You are responsible for investigating and complying with all applicable laws and regulations, despite any information that we may give you. There may be other local, state and/or federal laws or regulations such as minimum staffing requirements, pertaining to your business with which you must comply. We strongly suggest that you investigate these laws before buying this franchise.

Item 2 BUSINESS EXPERIENCE

Dianne Thomas-Banda, Founder. Ms. Thomas-Banda founded the original new Life Assisted Living in October 2000 and continues to be actively involved.

Alvin Thomas, President. Mr. Thomas has been our president since inception. He has also been the chief executive officer of our affiliates New Life Assisted Living Inc since 2008.

Eric Thomas, Vice-President Mr. Thomas has been our Vice-President since inception. He has also been Vice-President of our affiliate, New Life Assisted Living Inc since May 2014. He has also been Assistant Project Manager of Suffolk Construction since October 2022. Before that he was Assistant Project Manager with AECOM, from February 2022 to October 2022. and Assistant Project Manager with Taconic Builders from August 2018 to October 2022

Item 3 LITIGATION

No litigation is required to be disclosed in this Item.

Item 4 BANKRUPTCY

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

Item 5
INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us 35,000 as the initial franchise fee. This fee is paid in a lump sum upon signing the franchise agreement and is uniform and not refundable.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement (“MUDA”). Your franchise fees will be reduced to \$30,000 for each additional franchise after the first franchise. You will pay all franchise fees upon signing the MUDA. The second Item 7 table below breaks down the costs. The franchise fee is uniform and not refundable. The Multi-Unit Development Agreement will include a schedule containing the deadlines by which the number of New Life locations you will develop will be open.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	6% of your gross sales	Monthly	See Note 1 and Note 2.
Marketing Fund Contribution	1% of your gross sales	Monthly	See Item 11 for a detailed discussion about these funds. Amounts due will be withdrawn by electronic funds transfer from your designated bank account.
Market Cooperative Contribution	As determined by co-op. Currently, we do not have any cooperatives	Monthly	We have the right to establish local or regional advertising cooperatives. Any location owned by us, or any affiliate will have the same voting rights as our franchisees. Dues will be imposed by a majority but if any location owned by us or any affiliates have a majority vote, the maximum fees imposed will not exceed 3% of gross sales.
Local Marketing/Required Spending	3% of your gross sales	Monthly	You may only use promotional materials that we have approved or provided to you. See Note 3

Type of Fee	Amount	Due Date	Remarks
Technology Fee	Currently \$1,200	Monthly	The technology fee provides you access to August Health for electronic medical records and Delightree management software.
Replacement / Additional Training fee	Currently, \$500 per day plus expenses for travel, food, lodging	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Customer complaint resolution	Our expenses	On demand	We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you underreported gross sales by more than 3% for any 4-week period.

Commented [gc1]: Amount and frequency of payment?

Type of Fee	Amount	Due Date	Remarks
Special inspection fee	Currently \$250, plus our out-of-pocket costs	On demand	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Transfer fee	50% of the then-current initial franchise fee plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.
Renewal Fee	10% of the then-current initial franchise fee	Upon renewal	This is only paid if you renew your franchise agreement for an additional term(s)
Liquidated damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining months of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).

Type of Fee	Amount	Due Date	Remarks
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us. All fees are non-refundable. All fees are uniform for all franchisees, although we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we consider appropriate. These fees are uniform and do not increase for the initial term of the franchise agreement. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. "Gross Sales" is defined in our franchise agreement as the total dollar amount of all sales generated through your business for a given period, including, but not limited to, payment for any services or products sold by you, whether for cash or credit. Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected, (iii) sale of used furniture and fixtures not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales).

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

3. Your expenditures for local advertising and marketing are made to third parties, not to us.

Item 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT

Type of expenditure	Low Amount	High Amount	Method of payment	When due	To whom payment is to be made
Initial franchise fee (see Note 1)	\$35,000	\$ 35,000	Check or wire transfer	Upon signing the franchise agreement	Us
Rent and Lease Security Deposit (see Note 2)	\$ 3,000	\$ 12,000	Check	Upon signing lease	Landlord

Type of expenditure	Low Amount	High Amount	Method of payment	When due	To whom payment is to be made
Utilities	\$ 100	\$ 500	Check, debit, and/or credit	Upon ordering service	Utility providers
Renovations and Improvements, including leasehold	\$10,000	\$ 30,000	Check	As incurred	Contractors
Market Introduction Program	\$ 2,000	\$ 5,000	Check, debit, and/or credit	As incurred or when billed	Vendors
Furniture, Fixtures, and Equipment (see Note 3)	\$ 4,000	\$ 10,000	Check, debit, and/or credit	As incurred	Vendors
Computer Equipment and Software (see Note 4)	\$ 1,000	\$ 3,000	Check, debit, or credit	As incurred	Vendors
Vehicles (see Note 5)	\$ 7,000	\$ 35,000	Check, debit, or credit	As incurred	Vendors
Insurance	\$ 2,000	\$ 10,000	Check	Upon ordering	Insurance company
Signage	\$ 700	\$ 1,000	Check, debit, or credit	As incurred	Vendor
Office Expense	\$ 500	\$ 1,000	Check, debit, or credit	As incurred	Vendors
Inventory and Supplies	\$ 250	\$ 500	Check, debit, or credit	Upon ordering	Vendors
Licenses and Permits	\$ 500	\$ 1,000	Check	Upon application	Government
Professional Fees (lawyer, accountant, etc.)	\$ 1,000	\$ 3,000	Check, debit, or credit	As incurred or when billed	Professional service firms
Dues and Subscriptions	\$ 500	\$ 1,000	Check, debit, or credit	As incurred	Various

Type of expenditure	Low Amount	High Amount	Method of payment	When due	To whom payment is to be made
Travel, lodging and meals and training	\$ 2,000	\$ 4,000	Cash, debit or credit	As incurred	Airlines, hotels, and restaurants for two to three weeks of training
Additional funds (for first 3 months) (see Note 6)	\$40,000	\$ 50,000	Varies	Varies	Employees, suppliers, utilities, vendors
Total (See Note 7)	\$109,550	\$ 202,000			

**YOUR ESTIMATED INITIAL INVESTMENT –
MULTI UNIT DEVELOPMENT AGREEMENT
THREE NEW LIFE ASSISTED LIVING FRANCHISES**

Type of expenditure	Low Amount	High Amount	Method of payment	When due	To whom payment is to be made
First franchise (see table above)	\$35,000	\$35,000	Check or Wire transfer	Upon signing the MUDA	Us
Additional initial franchise fees for additional two franchises	\$ 55,000	\$ 55,000	Check or wire transfer	Upon signing the MUDA	Us
Estimated initial investment to open the first location and for first three months of operation (excluding the first initial franchise fee.)	\$ 74,550	\$ 167,000	Varies	As Incurred	Varies
Total (see Note 8)	\$164,550	\$257,000			

Notes

1. None of the other expenditures in this table will be refundable except a security deposit on a lease. Neither we nor any affiliate finances any part of your initial investment.
2. This estimate assumes a location in a residential area of approximately 2,000 to 3,000 square feet. This estimate assumes you will rent your location. If you choose to purchase real estate instead of renting, your costs will be significantly different. You may be required to have real estate with a minimum of three bedrooms. You should check for any local and state requirements.
3. The low end of the range in the initial outlay assumes that the home is generally ready for conversion. The high end of the range reflects the cash outlay by a franchisee that needs extensive work done on the home to convert the residential property to a New Life Assisted Living location.
4. As of February 1, 2024, we require QuickBooks, Google Drive, OneDrive and Adobe Acrobat. We may change software requirements upon reasonable notice to you.
5. The range of costs represents the approximate range from a down payment to full purchase of a new or used vehicle.
6. This includes any other required expenses you will incur before operations begin and during the initial three-month period of operations, such as payroll, additional inventory, rent, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on our experience in the development of the New Life business by our affiliates, and our general knowledge of the industry.
7. The estimate is for opening and working capital for the first three months of operation. We relied on our affiliate's experience in opening and operating assisted living facilities to compile this estimate. The estimate does not include the monthly cost of debt service. Additional operating expenses may be incurred in connection with the ongoing operation of your business and periodic reinvestment may be necessary following the initial start-up phase.
8. This estimate assumes you sign a Multi-Unit Development Agreement for 3 franchises. The franchise fee for your first unit is counted in the "Estimated Initial Investment – Franchise Agreement" table. Your initial franchise fees are reduced to \$30,000 for the second and \$25,000 for each additional franchise after the second. You will pay all franchise fees upon signing the MUDA.

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications.

Specific Obligations

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

A. Real Estate. Your facility is subject to our approval and must meet our specifications. If you lease your location, you must use reasonable efforts to have your landlord sign our form of conditional assignment of the Lease.

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Operations Manual, which includes (i) “Special” causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible); (ii) Business interruption insurance covering at least 12 months of income; (iii) Homeowners or renters liability of \$1,000,000; (iv) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit, (v) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000, and (vi) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days’ prior written notice of cancellation.

C. Software and hardware. You must purchase or lease such hardware and software as we specify. See Item 11 for more details.

D. Vehicle. You must use vehicles that we approve in the business.

E. Equipment, inventory and supplies. You must purchase equipment, inventory and supplies from us or Approved Vendors. We may be the only approved supplier of proprietary and other products.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier’s capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance

reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after thorough testing in our headquarters, in company-owned outlets, and/or a limited market test in multiple units.

We estimate that items purchased or leased from us, our affiliates or our other designated or approved suppliers, or in accordance with our specifications will represent approximately 50% to 80% of total purchases you will make to begin operations of your business and approximately 50% to 80% of the ongoing costs of operation.

You must purchase from approved suppliers that meet our specifications. This includes advertising and marketing materials, forms, and promotional items. We may require that you purchase branded items and certain other items such as cleaning supplies and menu items from us or our affiliate. As of the issuance date of this Disclosure Document, one of our officers owns an interest in a supplier to our Franchisees.

You must purchase the computer hardware and software used in the business from a vendor we approve.

We publish a list of approved vendors and order procedures in the Operations Manual. We may approve other vendors if you request it in writing or if a vendor requests it and if the vendor demonstrates to our satisfaction that it is financially stable and can provide product(s) or service(s) that meet our specifications and that are consistent with our image. We may charge our reasonable costs incurred in evaluating a proposed vendor. We will give you a good faith estimate of our cost of evaluating a proposed vendor within a reasonable time after you make the request, but before we begin the evaluation process. We will normally make our decision within thirty (30) days. We reserve the right to disapprove any previously approved vendor whose performance falls below our standards. We will provide any approvals of new vendors or revoke approval of vendors in writing and will incorporate our decision in the Operations Manual. We do not provide material benefits to you based solely on your use of designated or approved sources.

We may negotiate purchase arrangements with suppliers and distributors for the benefit of our franchisees, and we may receive rebates or volume discounts from our purchase of equipment and supplies that we resell to you. We currently do not have any purchasing or distribution cooperatives.

We and our affiliates reserve the right to receive fees, payments, rebates, commissions, or other consideration from third party manufacturers, suppliers, and/or distributors on their sales of products, services, equipment, goods and supplies to our affiliate and our franchisees. Except as described below, we and our affiliates will retain and use any fees, payments, rebates, commissions, or other consideration as we deem appropriate or as required by a particular manufacturer, supplier or distributor. We may place fees, payments, rebates, commissions, allowances, or other consideration we receive from some vendors with whom you do business in either the System-wide Advertising and Marketing Fund or a separate fund to cover the cost of franchisee conferences and conventions and franchisee incentive programs. We expect the amount and availability of such funds to vary from time to time based upon factors outside our control. We did not receive any revenue from franchisee purchases of goods, products and services from us or our affiliates in 2025.

Item 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Franchise Agreement (FA): §§ 6.1, 6.2 Multi-Unit Development Agreement (MUDA): Not Applicable	Item 11
b. Pre-opening purchase/leases	FA: §§ 6.2, 6.3 MUDA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Article 6 MUDA: §1(a), 3	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: §§ 5.4, 6.4, 7.6 MUDA: Not Applicable	Items 5, 6, 8 and 11
e. Opening	FA: §§ 6.5, 6.6 MUDA: §1(a)	Items 7, 8 and 11
f. Fees	FA: Article 4, §§ 5.5, 7.8, 10.5, 11.2, 11.3, 15.2, 16.1, 17.6 MUDA: §1(a)	Items 5, 6 and 7

Obligation	Section in agreement	Disclosure document item
g. Compliance with standards and policies/operating manual	FA: §§ 6.3, 7.1, 7.3, 7.5, 7.9 – 7.13, 7.15, 10.1, 10.4, 11.1 MUDA: Article 1	Items 8, 11 and 14
h. Trademarks and proprietary information	FA: Article 12, § 13.1 MUDA: Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA: § 7.3 MUDA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: §§ 7.3, 7.8, 7.9 MUDA: Not Applicable	Item 8
k. Territorial development and sales quotas	FA: Not applicable MUDA: §1(a), 4(ii)	Item 12
l. Ongoing product/service purchases	FA: Article 8 MUDA: Not Applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	FA: §§ 7.12, 7.13 MUDA: Not Applicable	Items 6, 7 and 8
n. Insurance	FA: § 7.15 MUDA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Article 9 MUDA: Not Applicable	Items 6, 7, 8 and 11
p. Indemnification	FA: Article 16 MUDA: Not Applicable	Items 6 and 8
q. Owner's participation/management/staffing	FA: § 2.4 MUDA: Not Applicable	Items 15
r. Records and reports	FA: Article 10 MUDA: Not Applicable	Item 11
s. Inspections and audits	FA: §§ 10.5, 11.2 MUDA: Not Applicable	Items 6 and 11
t. Transfer	FA: Article 15 MUDA: Article 7	Items 6 and 17
u. Renewal	FA: § 3.2	Item 17

Obligation	Section in agreement	Disclosure document item
	MUDA: Not Applicable	
v. Post-termination obligations	FA: Article 13, § 14.3 MUDA: Not Applicable	Item 17
w. Non-competition covenants	FA: § 13.2 MUDA: Not Applicable	Item 17
x. Dispute resolution	FA: Article 17 MUDA: Article 7	Items 6 and 17

Item 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligations.

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

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

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We will review and advise you regarding the location for your New Life facility that you submit to us. (Section 5.4). If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site.

- (i) We generally do not own your premises.
- (ii) If your assisted living site is not already identified and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a location (Franchise Agreement, Summary Page). We do not select your site. Your site is subject to our approval. To obtain our approval, you must provide all information and documents about the site that we require.

- (iii) The factors we consider in approving assisted living sites are general location and character of the neighborhood, competition, demographics, parking, size, physical characteristics of existing buildings, and lease terms if you lease.
- (iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated in the franchise agreement. Unless we agree to extend the deadline, you will be in default, and we may terminate your franchise agreement.
- (v) We are not obligated to assist you in conforming the facility to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Outfitting or remodeling the premises.* We will provide you with a set of our suggested assisted living floor plans and remodeling and outfitting the premises. (Section 5.4)

C. *Necessary furniture, signs, fixtures, equipment, computer system, vehicle and supplies.* We will provide you with a list of our specifications and approved suppliers for signs, fixtures, equipment, computer system, vehicles and supplies. (Section 5.4) We do not provide any of these items directly but may do so in the future. We provide the names of approved suppliers. We do not deliver or install these items.

D. *Hiring and training employees.* We will provide you with our suggested staffing levels (Section 5.2), operational instructions in the Manual which you can use as part of training new employees (Section 5.3). Our opening support (as described below) includes assisting you in training employees. All hiring decisions and conditions of employment are your sole responsibility.

E. *Operations Manual.* We will give you access to our Operations Manual (Section 5.1).

F. *Initial Training Program.* We will conduct our initial training program. (Section 5.4). The current initial training program is described in more detail below.

G. *Business plan review.* If you request, we will review your pre-opening business plan and financial projections. (Section 5.4)

H. *Market introduction plan.* We will advise you regarding the planning and execution of your market introduction plan. (Section 5.4)

I. *On-site opening support.* We will send a representative to your location for support and additional training before you open. (Section 5.4)

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is approximately six to twelve months depending upon when you pass training and

lease or otherwise acquire a location for the business. Factors that may impact this length of time include such things as whether you already have a vehicle or vehicles to use in the business, the location and condition of the location you select; the extent to which your location must be upgraded or remodeled; the timing of your initial training; your ability to obtain a lease, financing or building permits; weather conditions; shortages; the timing of the delivery and installation of the business equipment, fixtures and furniture; your ability to obtain all required state and local licenses, permits, variances and certificates to allow you to operate your business; and other similar factors. You are responsible for determining that your business meets all zoning and other applicable requirements,

Our Post-Opening Obligations

After you open your business:

A. *Developing products or services you will offer to your customers* We intend to refine and develop products or services that you will offer to your clients although the franchise agreement does not obligate us to do so.

B. *Resolving operating problems you encounter and additional training.* If you request, we will provide advice to you (by telephone or electronic communication) regarding improving and developing your business, and resolving operating problems you encounter, to the extent we deem reasonable. If we provide additional training in response to your request, we may charge a fee of \$250 per diem plus any out-of-pocket expenses (such as travel, lodging, and meals for our employees providing onsite support). (Section 5.5)

C. *Establishing prices.* Franchisee generally determines their own prices, but New Life may require Franchisee to offer products and services at specific prices determined by New Life if New Life is promoting such products and services on a national, regional, or local market basis, for the duration of the promotion or for any customer loyalty programs New Life develops (but only to the extent permitted by applicable law). (Section 5.5 and 7.4).

D. *Establishing and using administrative, bookkeeping, accounting, and inventory control procedures.* We will provide you with our recommended procedures for administration, bookkeeping, accounting, and inventory control (Section 5.5). We may make any such procedures part of required procedures for our system.

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

F. *Website.* We will maintain a website for the New Life brand, which will include your business information and telephone number. (Section 5.5)

Advertising

Our obligation. We will use the Marketing Fund only for marketing and related purposes and costs. Media coverage is primarily local. We use outside vendors and consultants to produce

advertising. We are not required to spend any amount of advertising in the area or territory where any particular franchisee is located. We will maintain the brand website (which may be paid for by the Marketing Fund). We have no other obligation to conduct advertising.

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

Market introduction plan. We strongly recommend that you develop a market introduction plan and spend at least \$2,000 on that grand opening initiative. You must obtain our approval of the plan and marketing materials at least 30 days before the projected opening date of your business.

Required spending. After you open, you must spend 3% of your Gross Sales each month on advertising and marketing your business. Your local advertising expenditures will include advertising, merchandising, sales promotion and other forms of advertising at the local level. Each month, you must provide us with an accounting of the monies that you spent and documentation of the local advertising and promotional activities you executed during the preceding calendar month. If you fail to spend the required minimum amount during any calendar year on approved local advertising and promotional activities, you must pay us the difference between what you should have spent on approved local advertising and promotional activities during that year, and what you actually spent on those items during that year.

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

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

Advertising Fund. You are not required at this time to pay us an advertising fee or contribute to an advertising fund that we administer at this time. However, we reserve the right to establish a system-wide advertising and marketing fund. When we establish an advertising and

marketing fund (the Fund), we will provide you with thirty (30) days' advance notice of the establishment of the Fund. You and all other franchisees must then contribute to our Marketing Fund. Your contribution will be 1% of gross sales per month. We reserve the right to have other franchisees contribute a different amount or at a different rate. Outlets that we own are not obligated to contribute to the Marketing Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request. Because we are a new franchisor, we did not spend any money from the Marketing Fund in our most recently concluded fiscal year. If less than all marketing funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing Fund to be spent in the next year. We do not plan to use any of the Marketing Fund principally to solicit new franchise sales.

Computer Systems

As of the issuance date of this Disclosure Document, we require QuickBooks, Google Drive, OneDrive and Adobe Acrobat. Quick Books will generate billing and profit and loss and balance sheet information for the business. We also require you to use August Health for electronic medical records and Delightree management software. As of the date of this Disclosure Document, the approximate costs of the required software and hardware are \$1,000 to \$3,000.

We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation. We may periodically change any required hardware or software upon notice to you.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, and reports. There is no contractual limitation on our right to access the information.

Operations Manual

The table of contents of our Operations Manual as of the date this disclosure document is attached as Exhibit F to this disclosure document. The Manual has 194 pages.

Training Program

We will train you in the operation of the moving business. Our training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Assisted Living Manager Training	80	N/A	Outsourced virtually or at our location in Elkridge, Maryland

Staff Training	10	N/A	Outsourced virtually or at our location in Elkridge, Maryland
Internal Training	80	N/A	Outsourced virtually or at our location in Elkridge, Maryland
TOTALS:	170		

Initial training classes will be held virtually at our locations in Elkridge Maryland or at another location we may designate. It is expected to occur approximately from two to six weeks after signing the franchise agreement and before you open.

The franchise owner and franchisee's employees and new hires must attend training. If the franchisee is an entity all principal owners must attend. Any employees who will be working in the business at its commencement and new employee hires must attend initial training at least virtually. You are responsible for your travel and lodging expenses and those of your employees to attend training. The training materials will consist of the Operations Manual, other materials we develop and may include certain state-mandated training. Training will take place at the onset of the franchise opening and there will be ongoing annual refresher training. Initial training is expected to take place approximately three months before you open for business. Training will be led by Alvin Thomas who, as President of our affiliate, has experience in operating all aspect of the assisted living facility for over fifteen years.

We will also send at least one representative to your location around the time you are ready to open for business for up to ten days. You will be responsible for travel, lodging and meal expenses for our representatives to visit your location. We will require certain ongoing training including bi-annual update training for approximately 20 hours and cardiopulmonary resuscitation and first-aid training. Training also includes bi-annual Alzheimer's and dementia training for about 5 hours. Annual training includes food, fire, emergency, infection control and precautions, health and psychosocial, abuse, neglect and resident rights training.

You must successfully complete training before opening for business. Your business must at all times be under your on-site supervision or under the on-site supervision of a manager who has completed our training program.

Item 12

TERRITORY

Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval.

Grant of Territory

Your franchise agreement will specify a territory which will be determined by us. Your territory will generally have a territory comprised of a population of approximately 20,000 to 30,000 in the area where you are located (a “Single-Unit Territory”) , but this could vary depending on certain demographics and the density of the population in your area. Your territory will be defined using boundaries such as county and state lines, zip codes and natural geographic boundaries. If you enter into a Multi-Unit Development Agreement for the development of two (2) or more Franchised Businesses, we will grant you a larger, defined territory (the “Development Territory”) sized to support multiple locations. The Development Territory will generally be based on a population of approximately 40,000 to 80,000 persons, depending on the number of units to be developed, local market conditions, and geographic considerations.

Relocation; Establishment of Additional Outlets

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee’s business on case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

You do not have the right to establish additional franchised outlets unless you sign a Multi-Unit Development Agreement (“MUDA”) in the form attached as Exhibit C to this disclosure document. If you and we sign a MUDA, then you will have the right to establish an agreed upon number of additional outlets on a mutually agreed schedule. Under the MUDA, your right to develop additional outlets is subject to (1) you must comply with the mutually-agreed development schedule, (2) you must have sufficient financial and organizational capacity to develop, open, operate, and manage each additional New Life business, (3) you must be in compliance with all brand requirements at your open New Life business(es), and (4) you must not be in default under any other agreement with us. We will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. You do not have any exclusive territory to your development area until you acquire a location, and we establish the territory for that particular location. You are not obligated to develop additional outlets under the MUDA, and you may terminate it any time without penalty. If you do not meet your development schedule in the MUDA, we have the right to terminate your right to develop additional outlets.

Options to Acquire Additional Franchises

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

Territory Protection

In your franchise agreement, we grant you an exclusive territory. In your territory, we will not establish either a company-owned or franchised outlet selling the same or similar goods or services under the same or similar trademarks or service marks as a New Life outlet. However, We reserve the right to operate, and to grant others the right to operate, franchised or company-owned businesses both within and outside your Single-Unit Territory, provided that we will not establish or license another franchised residential assisted living home of substantially the same model within your defined territory during your compliance with this Agreement

The continuation of your territorial protection does not depend on achieving a certain sales volume, market penetration, or other contingency.

If you sign a MUDA, you do not receive an exclusive territory for the entire area identified in the development agreement until you acquire it, and we approve of a specific location for your location. The Development Territory is granted **solely for purposes of phased development** and is subject to the development schedule outlined in your Development Agreement. Your territory will then be identified for each specific franchise location you develop. For the MUDA territory you will not receive an exclusive territory. Your rights to the Development Territory are contingent upon active development and operation. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Failure to meet the development schedule may result in modification, reduction, or termination of your Development Territory. We reserve the right to **reduce, modify, or reclaim any undeveloped portion** of your Development Territory if you fail to meet the required development schedule. Upon such failure, your rights may be limited to (a) the territory reasonably necessary to support your existing operating location(s), or (b) a reduced geographic or population-based territory as determined by us. We may then offer the reclaimed territory to other franchisees or operate company-owned locations within such area.

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from consumers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory.

Soliciting by You Outside Your Territory

There are no restrictions on you from soliciting or accepting orders from consumers outside of your territory, except that all marketing and advertising is subject to our approval.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operate, franchise or have plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

Item 13 TRADEMARKS

Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by our affiliate, New Life Assisted Living, Inc. The trademark is registered on the Principal Register of the United States Patent and Trademark Office as follows:

Trademark	Registration Date	Registration Number
New Life	January 9, 2024	7,268,047

We intend to renew the registration and file when due all required affidavits and declarations required by law.

We also license you to use the following New Life design trademark.

Trademark	Application Date	Serial Number
	February 5, 2025	99030139

Because we do not yet have a federal registration for these trademarks, our trademarks do not yet have as many legal benefits and rights as a federally registered trademark.

Because we do not yet have a federal registration for this trademark, our trademark does not yet have as many legal benefits and rights as a federally registered trademark. If your right to use the design trademark is challenged, you may have to change to an alternative trademark which may increase your expenses.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving the Marks that is relevant to Your ability to use the Marks in connection with the business. There are no agreements that significantly limit our rights to use or license you to use the Marks in any manner material to the business.

Protection of Rights

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

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

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

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense.

Superior Prior Rights and Infringing Uses

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

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

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

Copyrights

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

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

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

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

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

Proprietary Information

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

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

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

Your Participation

You are not required to participate personally in the direct operation of your business. However, we recommend that you participate.

You must designate one person as your “Principal Executive.” The Principal Executive is the executive primarily responsible for your business and has decision-making authority on behalf of the business. The Principal Executive must own at least 10% of the business. The Principal Executive must complete our initial training program. The Principal Executive must complete any post-opening training programs that we develop in the future. The Principal Executive must make reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls), including regional or national brand conferences, that we require. The Principal Executive cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreement (see Exhibit 3 to the Franchise Agreement).

“On-Premises” Supervision

You are not required to personally conduct “on-premises” supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you. The general manager of your business (whether that is you or a hired person) must successfully complete our training program. If the franchise business is owned by an entity, we do not require that the general manager own any equity in the entity.

Restrictions on Your Manager

If we request, you must have your general manager sign a confidentiality and non-compete agreement. We do not require you to place any other restrictions on your manager.

Your Spouse

We may require that your spouse sign a personal guaranty of monetary obligations arising under the franchise agreement and a confidentiality agreement covering trade secret and other confidential information disclosed to you in the operation of the business.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved. You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes. We do not restrict your access to customers, except that all sales must be made at or from your premises.

Item 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Franchise Agreement (FA): § 3.1 Multi-Unit Development Agreement (MUDA): none	10 years from date of franchise agreement.
b. Renewal or extension of the term	FA: § 3.2 MUDA: none	You may obtain two successor franchise agreement renewals for 5-year terms each.
c. Requirements for franchisee to renew or extend	FA: § 3.2 MUDA: none	For our franchise system, “renewal” means that at the end of your term, you sign our successor franchise agreement for an additional 5-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract. To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; renovate to our then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); sign general release (unless prohibited by applicable law). If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 5-year term.

Provision	Section in franchise or other agreement	Summary
d. Termination by franchisee	FA: § 14.1 MUDA: § 4	If we violate a material provision of the franchise agreement and fail to cure or to make substantial progress toward curing the violation within 30 days after notice from you. If you sign a MUDA, you may terminate it at any time.
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	FA: § 14.2 MUDA: § 4	We may terminate your agreement for cause, subject to any applicable notice and cure opportunity. If you sign a Multi-Unit Development Agreement, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement is terminated, we have the right to terminate your MUDA.
g. "Cause" defined--curable defaults	FA: § 14.2 MUDA: none	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure).
h. "Cause" defined--non-curable defaults	FA: § 14.2 MUDA: § 4	FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations for more than 5 consecutive days; three defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured. MUDA: failure to meet development schedule;

Provision	Section in franchise or other agreement	Summary
		violation of franchise agreement or other agreement which gives us the right to terminate it.
i. Franchisee's obligations on termination/non-renewal	FA: §§ 14.3 – 14.6 MUDA: none	Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	FA: § 15.1 MUDA: § 7	Unlimited
k. "Transfer" by franchisee - defined	FA: Article 1 MUDA: Background Statement	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor's approval of transfer by franchisee	FA: § 15.2 MUDA: § 7	No transfers without our approval.
m. Conditions for franchisor's approval of transfer	FA: § 15.2 MUDA: none	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you've made all payments to us and are in compliance with all contractual requirements; buyer completes training program; you sign a general release; business complies with then-current system specifications (including remodel, if applicable).
n. Franchisor's right of first refusal to acquire franchisee's business	FA: § 15.5 MUDA: none	If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal.

Provision	Section in franchise or other agreement	Summary
o. Franchisor's option to purchase franchisee's business	FA § 14.6	We have an option to purchase your franchised business upon expiration or termination of the franchise agreement.
p. Death or disability of franchisee	FA: §§ 2.4, 15.4 MUDA: none	If you die or become incapacitated, a new principal executive acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months.
q. Non-competition covenants during the term of the franchise	FA: § 13.2 MUDA: none	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor.
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2 MUDA: none	For two years, neither you, any owner of the business, or any of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within thirty miles of your former territory or the territory of any other New Life businesses operating on the date of termination.
s. Modification of the agreement	FA: § 18.4 MUDA: § 7	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications.
t. Integration/merger clause	FA: § 18.3 MUDA: § 7	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement (or MUDA) may not be enforceable. However, no claim made in any franchise agreement (or MUDA) is intended to disclaim the express representations made in this Disclosure Document.

Provision	Section in franchise or other agreement	Summary
u. Dispute resolution by arbitration or mediation	FA: § 17.1 MUDA: § 7	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1; 17.5 MUDA: § 7	Arbitration will take place in Baltimore, Maryland (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States in Maryland or if this court lacks jurisdiction, the state courts of the state courts of Maryland (subject to applicable state law).
w. Choice of law	FA: § 18.8 MUDA: § 7	Maryland (subject to applicable state law).

For additional disclosures required by certain states, refer to Exhibit H- State Addenda to Disclosure Document.

Item 18 PUBLIC FIGURES

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

Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

We make this financial performance representation of the Gross Sales of the seven New Life Assisted Living locations that were open, fully operational and recorded sales and expenses for the entire period from January 1, 2024, through December 31, 2024. Another New Life Assisted Living location opened in 2025 but was not open the entire year. Gross Sales are derived from financial records maintained in the ordinary course of business. "Fully operational" means that a location was offering the complete range of services according to the System and was open and operating throughout the relevant time period shown. The locations are all in Maryland.

Average Gross Sales	\$371,830
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Notes:

1. Average Gross Sales reduced to account for royalties of 6% of Gross Sales. Advertising, Marketing Fund contributions of 2% of Gross Sales and local advertising expenditures of 3% of Gross Sales are as follows.

Average Gross Sales in 2025	\$ 371,830
Royalty at 6% of Gross Sales	\$ 22,310
Marketing Fund at 1% of Gross Sales	\$ 3,718
Local Advertising at 3% of Gross Sales	\$ 11,155
Adjusted Average Gross Sales for 2024	\$ 334,647

2. Gross Sales generally has the same meaning as Gross Sales in the Franchise Agreement.

3. 4 of the 7 facilities whose Gross Sales are included had 8 beds, one had 6 beds, one had 5 beds, and one had 4 beds.

4. The Gross Sales ranged from \$528,179 in a house with 8 beds to \$172,349 in a house with 4 beds. The median Gross Sales were \$397,410.

5. 4 of the 7 houses, or 57.15 % exceeded the average and 3 of the houses or 42.85% were below the average. The median Gross Sales was approximately \$397,410 in a house with 8 beds.

6. Our affiliates operate 8 assisted living facilities as of the issuance date of this Disclosure Document. However, 1 of those facilities was not open and operating throughout 2025 and are therefore not included in the average Gross Sales presented.

7. The locations that form the basis for this financial performance representation are all located in Maryland which has minimum staffing requirements for assisted living facilities. State law may vary on those requirements.

8. These results are not audited.

9. The assisted living centers operated by our affiliate do not pay an initial franchise fee or royalties on Gross Sales and certain other fees that we may collect as described in this

disclosure document. Expenses will vary widely among franchisees and may include the following: (i) royalty fees; (ii) contributions to the advertising and marketing fund (iii) advertising expense a franchise operator may choose to incur according to perceived needs; (iv) higher staffing expenses (v) property taxes; (vi) accounting, legal and other professional fees; (vii) depreciation/amortization; (viii) interest or finance charges and/or repayment of principal on any funds borrowed for the business.

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

Written substantiation of the information contained in this Item 19 will be made available upon request.

Except as set forth above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Eric Thomas, 6901 Scarlet Oak Drive, Elkridge, Maryland 21075, 410-926-0419, and the Federal Trade Commission and the appropriate state regulatory agencies.

**Item 20
OUTLETS AND FRANCHISEE INFORMATION**

**Table 1
Systemwide Outlet Summary
For Years 2023 to 2025**

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	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	5	5	0
	2024	5	5	0
	2025	5	7	+2
Total Outlets	2023	5	5	0
	2024	5	5	0

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
	2025	5	7	+2

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2023 to 2025

Column 1 State	Column 2 Year	Column 3 Number of Transfers
N/A	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0

Table 3
Status of Franchised Outlets
For Years 2023 to 2025

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
All states	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

Table 4
Status of Company-Owned Outlets
For Years 2023 to 2025

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Maryland	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	2	0	0	0	7
Totals	2023	5	0	0	0	0	5
	20234	5	0	0	0	0	5
	2025	5	2	0	0	0	7

Table No. 5

Projected Openings as of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Yet Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company- Owned Outlet in the Next Fiscal Year
MD	1	6	3
CT	1	2	0
NY	0	1	0
VA	0	3	0
NC	0	3	0
Total	2	15	3

Current Franchisees

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

Former Franchisees

Exhibit G contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

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

Franchisee Organizations

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

Item 21

FINANCIAL STATEMENTS

We have not been in business for three years or more and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit E contains the report of April 16, 2025 of our audited financial statements as of December 31, 2025 and December 31, 2024. Our fiscal year end is December 31.

Item 22

CONTRACTS

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

- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Form of General Release
- I. State Addenda to Agreements

Item 23
RECEIPTS

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

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

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

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Business Oversight Department of Business Oversight 1515 K Street Suite 200 Sacramento, CA 95814-4052 866-275-2677	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8236	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex-69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, WI 53701 (608) 266-2801	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, WI 53703

EXHIBIT B TO DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE	
1. Franchisee	_____
2. Initial Franchise Fee	\$35,000
3. Development Area	_____
4. Business Location	_____
5. Territory	_____
6. Opening Deadline	_____
7. Principal Executive	_____
8. Franchisee's Address	_____

FRANCHISE AGREEMENT

This Agreement is made between New Life Assisted Living, LLC, (“Franchisor”), and Franchisee effective as of the _____ day _____, 20____ (the “Effective Date”).

Background Statement:

A. Franchisor has created and owns a system (the “System”) for developing and operating a business that provides assisted and nursing care services for elderly and disabled adults via a multidisciplinary team approach

B. The System includes (1) methods, procedures, and standards for developing and operating a New Life business, (2) plans, specifications, equipment, signage and trade dress for a New Life business, (3) particular products and services, (4) the Marks, (5) training programs, (6) business knowledge, (7) marketing plans and concepts, and (8) other mandatory and recommended methods of operation as determined by Franchisor from time to time.

C. The parties desire that Franchisor license the Marks and the System to Franchisee for Franchisee to develop and operate a New Life business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

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

“**Approved Vendor**” means a supplier, vendor, or distributor of goods or services which has been approved by Franchisor.

“**Business**” means the business owned by Franchisee and operated under this Agreement.

“**Competitor**” means any business which engages in, owns, is affiliated with or operates an assisted living facility or similar business.

“**Confidential Information**” means all non-public information of or about the System and any New Life business, including all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information and know-how.

“**Gross Sales**” means the total dollar amount of all sales generated through the Business for a given period, including, but not limited to, payment for any services or products sold by Franchisee, whether for cash or credit. Gross Sales does not include (i) bona fide refunds to customers, (ii) sales taxes collected by Franchisee, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included in Gross Sales).

“Location” means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1 of this Agreement.

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

“Manual” means Franchisor’s confidential Brand Standards Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

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

“Marks” means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Franchisor from time to time for use in Franchisor’s business or associated with Franchisor or its affiliates.

“Owner” means each person or entity which directly or indirectly owns or controls any equity of Franchisee. If Franchisee is an individual person, then “Owner” means Franchisee.

“Remodel” means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for an updated New Life business.

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

“System Standards” means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, design (such as construction, decoration, layout, furniture, fixtures and signs), equipment, inventory, marketing and public relations, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), uniforms, and vehicles.

“Territory” means the territory stated on the Summary Page. If no territory is stated on the Summary Page, then the Territory is determined in accordance with Section 6.1 of this Agreement.

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

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. Franchisor grants to Franchisee the right to operate one New Life business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1 of this Agreement. Franchisee shall develop, open and operate the New Life business at the Location for the entire term of this Agreement any renewals thereof.

2.2 Protected Territory. During the term of this Agreement and any renewals thereof, Franchisor agrees not to itself establish, or license or franchise the establishment of, another business within the Territory selling the same or similar goods or services under the same trademarks or service marks as a New Life business. Franchisor retains the right to:

- (i) establish and license others to establish and operate New Life businesses outside the Territory, notwithstanding their proximity to the Territory or their impact on the Business;
- (ii) operate and license others to operate businesses anywhere that do not operate under the New Life Marks; and
- (iii) sell and license others to sell products and services in the Territory through channels of distribution (including the internet) other than New Life outlets.

2.3 Franchisee Control. Franchisee represents that Exhibit 1 to this Agreement (i) identifies each owner, officer and director of Franchisee, and (ii) describes the nature and extent of each owner’s interest in Franchisee. If any information on Exhibit 1 changes that does not constitute a Transfer, Franchisee shall notify Franchisor within ten (10) days of such change.

2.4 Principal Executive. Franchisee agrees that the person designated as the “Principal Executive” on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Executive must have at least 10% ownership interest in Franchisee. The Principal Executive is not required to serve as a day-to-day general manager of the Business, but the Principal Executive must devote substantial time and attention to the Business. If the Principal Executive dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Executive, subject to Franchisor’s approval.

2.5 Guaranty. If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee’s obligations to Franchisor, in the form of Exhibit 3 to this Agreement.

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

ARTICLE 3. TERM

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

3.2 Successor Agreement. When the Initial Term of this Agreement expires, Franchisee may enter into two successor franchise agreements for additional periods of five (5) years each (the “Renewal Term”), subject to the following conditions prior to the expiration of the Initial Term and each Renewal Term:

- (i) Franchisee notifies Franchisor of the election to renew between ninety (90) and one hundred eighty (180) days prior to the end of the Initial Term and each Renewal Term;
- (ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Franchisor and any of its affiliates at the time of election and at the time of renewal;
- (iii) Within a period of time acceptable to Franchisor, Franchisee has made or makes renovations and changes to the Location as Franchisor requires, including without limitation a Remodel, to conform to Franchisor’s then-current System Standards;
- (iv) Franchisee and its Owners execute Franchisor’s then-current form of franchise agreement and related documents, which may be materially different than this Agreement including, without limitation, higher and different fees, provided however that Franchisee will not pay another initial franchise fee;
- (v) Franchisee pays a renewal fee equal to ten percent (10%) of the then-current initial transfer fee
- (vi) Franchisee and each Owner executes a general release of any and all claims against Franchisor, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

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

4.2 Royalty Fee. Franchisee shall pay Franchisor a monthly royalty fee (the “Royalty Fee”) equal to six percent (6%) of Gross Sales. The Royalty Fee for any month shall be paid in the immediately following month by the day designated by Franchisor in the Manual or otherwise in writing.

4.3 Marketing Contributions.

(a) Marketing Fund Contribution. Franchisee shall pay Franchisor a contribution to the Marketing Fund (the “Marketing Fund Contribution”) equal to one per cent (1%) of Franchisee’s Gross Sales at the same time as the Royalty Fee is paid.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute monthly to the Market Cooperative a percentage of Gross Sales as determined by the Market Cooperative, but not less than one percent (1%) and, if the majority vote is by Franchisor or its affiliates, not to exceed three per cent (3%) of Gross Sales.

4.4 Technology Fee. Franchisee shall pay a monthly fee in the amount of One Thousand Two Hundred Dollars (\$1,200) per month for electronic medical records and management software. (the “Technology Fee”) . Upon thirty (30) days’ notice to Franchisee, Franchisor may adjust the Technology Fee to reflect then -current charges from third-parties.

4.5 Replacement / Additional Training Fee. If Franchisee sends an employee to Franchisor’s training program after opening, Franchisor may charge its then-current training fee. Franchisee shall be responsible for any of its travel, food and lodging expenses.

4.6 Curing Non-Compliance. Franchisor may in its sole discretion cure any instance of non-compliance by Franchisee with a requirement of this Agreement and Franchisee shall pay Franchisor’s cost incurred in curing the non-compliance and an administrative fee of ten percent (10%) of such costs.

4.7 Special Inspection Fee. Franchisor may charge Franchisee Two Hundred Fifty (\$250) per day and its reasonable out-of-pocket expenses incurred if Franchisor inspects the Location because of a government report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.

4.8 Reimbursement. Franchisor may, but has no obligation to, pay on Franchisee’s behalf any amount that Franchisee owes to a supplier or other third party. If Franchisor does so or intends to do so, Franchisee shall pay the amount paid by Franchisor plus a ten percent (10%) administrative charge to Franchisor within fifteen (15) days after invoice by Franchisor accompanied by reasonable documentation.

4.9 Method of Payment and Reporting.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing Fund Contribution, and any other amounts owed to Franchisor by pre-authorized bank draft or in such other manner as Franchisor may require. Franchisee shall comply with Franchisor’s payment instructions. If Franchisor elects to have payments made by pre-authorized bank draft, Franchisee shall execute the authorization attached to this Agreement as Exhibit 4.

(b) Calculation of Fees. Each month, on a day designated by Franchisor, Franchisee shall report to Franchisor, its Gross Sales from the previous month. If Franchisee fails to report monthly Gross Sales, then Franchisor may withdraw estimated Royalty Fees and Marketing Fund Contributions equal to One Hundred twenty-Five percent (125%) of the last Gross Sales reported

to Franchisor. The parties will reconcile the actual fees after Franchisee reports Gross Sales. Franchisee acknowledges that Franchisor has the right to remotely access Franchisee's point-of-sale system to calculate Gross Sales.

(c) Late Fees and Interest. If Franchisee does not make a payment by the due date, Franchisee shall pay a late fee of One Hundred Dollar (\$100) plus interest on the unpaid amount at a rate equal to eighteen percent (18%) per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. Franchisor may charge Thirty Dollars (\$30) for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

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

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

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Franchisor any fees or amounts described in this Agreement are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

ARTICLE 5. ASSISTANCE

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

5.2 Assistance in Staffing Employees. Franchisor shall provide its suggested staffing levels to Franchisee. All decisions regarding Franchisee's employees and conditions of employment are Franchisee's sole responsibility.

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

5.4 Pre-Opening Assistance.

(a) Selecting Location. Franchisor shall provide Franchisee with its criteria for New Life locations. Franchisor will review and advise Franchisee regarding potential locations submitted by Franchisee.

(b) Pre-Opening Plans, Specifications, and Vendors. Within a reasonable period of time after the Effective Date, Franchisor shall provide Franchisee with (i) Franchisor's sample set of standard building plans and specifications and/or standard recommended floor plans; (ii) the applicable System Standards, (iii) other specifications as Franchisor deems appropriate, including without limitation specifications regarding inventory, equipment supplies and materials, and (iv) Franchisor's lists of Approved Vendors and/or Required Vendors.

(c) Business Plan Review. If requested by Franchisee, Franchisor shall review and advise on Franchisee's pre-opening business plan and financial projections. Franchisee acknowledges that Franchisor is not in any way responsible for the performance of the Business.

(d) Pre-Opening Training. Franchisor shall make available its standard pre-opening training to Franchisee's Principal Executive and up to one additional person, at Franchisor's headquarters and/or at another location designated by Franchisor. Franchisor shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. Franchisor reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(e) Market Introduction Plan. Franchisor shall advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

(f) On-Site Opening Assistance. Franchisor shall provide up to two representatives to training and assistance to Franchisee around the time of opening.

5.5 Post-Opening Assistance.

(a) Advice, Consulting, and Support. If Franchisee requests, Franchisor will provide advice to Franchisee regarding improving and developing Franchisee's business, and resolving operating problems Franchisee encounters, to the extent Franchisor deems reasonable. If Franchisor provides in-person support in response to Franchisee's request, Franchisor may charge its then-current fee for such support plus any out-of-pocket expenses such as travel, lodging, and meals for employees providing onsite support.

(b) Procedures. Franchisor will provide Franchisee with Franchisor's recommended administrative, bookkeeping, accounting, and inventory control procedures. Franchisor may make any such procedures part of required System Standards.

(c) Marketing. Franchisor shall manage the Marketing Fund.

(d) Internet. Franchisor may maintain a website for New Life, which will include Franchisee's location or territory and telephone number.

ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

6.1 Determining Location and Territory. If the Location and Territory are not stated on the Summary Page:

(i) Franchisee shall find a potential Location within the Development Area described on the Summary Page. Franchisee shall submit its proposed Location to Franchisor for acceptance, with all related information Franchisor may request. If Franchisor does not accept the proposed Location in writing within thirty (30) days, then the site will be deemed rejected.

(ii) When Franchisor accepts the Location, it will issue a Location Acceptance Letter in the form of Exhibit 2 to this Agreement which will set forth the Location and Territory. Franchisor shall determine and assign Franchisee the Territory in its good faith discretion.

(iii) Franchisor's advice regarding a site or the acceptance of a site is not a representation or warranty that the Business will be successful, and Franchisor shall not be liable to Franchisee with respect to the location of the Business.

6.2 Lease. For any lease between Franchisee and the landlord of the Location, Franchisee shall:

- (i) upon Franchisor's request, submit the proposed lease to Franchisor for written approval,
- (ii) have the term of the lease provide for a period of not less than the Initial Term of this Agreement or any Renewal Term, and,
- (iii) use commercially reasonable efforts to obtain the landlord's signature to the conditional assignment of the lease substantially in the form required by Franchisor as shown on Exhibit 5 to this Agreement.

6.3 Development. Franchisee shall construct (or remodel) and finish the Location in conformity with Franchisor's System Standards. If required by Franchisor, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining Franchisor's approval of Franchisee's plans. Franchisor may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by Franchisor or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business and Franchisor shall not have any liability with respect thereto. Franchisor's inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

6.4 New Franchisee Training. Franchisee's Principal Executive must complete Franchisor's training program for new franchisees to Franchisor's satisfaction by the time designated by Franchisor before opening the location for Business.

6.5 Conditions to Opening. Franchisee shall notify Franchisor at least twenty (20) days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions:

- (i) Franchisee is in compliance with this Agreement,
- (ii) Franchisee has obtained all applicable governmental permits and authorizations,
- (iii) the Business conforms to all applicable System Standards,
- (iv) Franchisor has inspected and approved the Business,
- (v) Franchisee's officers and employees have completed all of Franchisor's required pre-opening training; and

(vi) Franchisor has given its written approval to open, which approval will not be unreasonably withheld or delayed.

6.6 Opening Date. Franchisee shall open the Business to the public on or before the date stated on the Summary Page.

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all System Standards.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws and regulations. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses required for the Business.

7.3 Products, Services, and Methods of Sale. Franchisee shall offer all products and services, and only those products and services, as from time to time prescribed by Franchisor in the Manual or otherwise in writing. Franchisee shall make sales only to retail customers, and only at the Location. Unless otherwise approved or required by Franchisor, Franchisee shall not, without Franchisor's written approval, make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations.

7.4 Prices. Franchisee shall generally determine its own prices; provided however, that, to the extent permitted by applicable law, Franchisee shall honor any customer loyalty programs and promotions implemented by Franchisor and any maximum prices and minimum discounts for any given product or service established by Franchisor.

7.5 Personnel.

(a) Management. Franchisee's Business must at all times be under the on-site supervision of the Principal Executive or a general manager who has completed Franchisor's training program.

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

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

(d) Qualifications. Franchisor may set minimum qualifications for categories of employees employed by Franchisee.

(e) Sole Responsibility. Franchisee is solely responsible for the terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Franchisor are not joint employers, and no employee of Franchisee will be deemed to be an agent or employee of Franchisor. Within seven days of Franchisor's request,

Franchisee and each of its employees will sign an acknowledgment form stating that only Franchisee, and not Franchisor, is the employee's sole employer. Franchisee will use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards, pay checks, and employment and independent contractor agreements, and Franchisee will not use the Marks on any of these documents.

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

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

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

7.9 Evaluation and Compliance Programs. Franchisee shall participate at its own expense in programs required from time to time by Franchisor for obtaining customer evaluations, reviewing Franchisee's compliance with the System, and/or managing customer complaints, including without limitation a customer feedback system, customer survey programs, and mystery shopping. Franchisor shall share with Franchisee the results of these programs, as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Franchisor for such programs. Franchisor may set minimum scores that Franchisee must receive from the public on social media and internet review sites such as Yelp or Google.

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

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

otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another New Life business. Franchisee shall comply with all procedures and specifications of Franchisor related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

7.12 Maintenance and Repair. Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Franchisor may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, and repair.

7.13 Remodeling. In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Franchisor may require Franchisee to undertake and complete a Remodel of the Location to Franchisor's satisfaction. Franchisee must complete the Remodel in the time frame specified by Franchisor. Franchisor may require the Franchisee to submit plans for Franchisor's reasonable approval prior to commencing a required Remodel. Franchisor's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term, except that a Remodel may be required as a condition to renewal of the term or a Transfer, and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel.

7.14 Meetings. The Principal Executive shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls) that Franchisor requires, including any national or regional brand conventions.

7.15 Insurance.

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

- (i) "Special" causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value subject to a reasonable deductible;
- (ii) Business interruption insurance covering at least 12 months of income;
- (iii) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit;
- (iv) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000; and

- (v) Workers ' Compensation coverage as required by the laws of the state where the Business is located.

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

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Franchisor prior to opening and upon annual renewal of the insurance coverage, as well as at any time upon request of Franchisor.

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

7.17 Public Relations. Without Franchisor's prior written approval, which will not be unreasonably withheld, Franchisee shall not make any public statements, including without limitation interviews or issuing press releases, regarding Franchisor, the Business, or any particular incident or occurrence related to the Business.

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

7.19 No Other Activity Associated with the Business. Franchisee shall not engage in any business or other activity at the Location other than operation of the New Life Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except the New Life businesses.

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

7.21 Identification. Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Franchisor. Franchisee must display at the Business signage prescribed by Franchisor identifying the Location as an independently owned franchise.

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

ARTICLE 8. SUPPLIERS AND VENDORS

8.1 Generally. Franchisee shall acquire all products and services required by Franchisor from time to time in accordance with System Standards. Franchisor may require Franchisee to purchase or lease any products from Franchisor's designee, Required Vendors, Approved Vendors, and under Franchisor's specifications. Franchisor may periodically change any such requirement or change the status of any vendor. Any such requirement or change by Franchisor shall be made effective by insertion into the Manual, System Standards or otherwise by written notice to Franchisee.

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

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

8.4 Purchasing. Franchisor may negotiate prices and terms with vendors on behalf of the System. Franchisor may receive rebates, payments or other consideration from vendors in connection with purchases by franchisees. Franchisor has the right, but not the obligation, to collect payments from Franchisee on behalf of a vendor and remit the payments to the vendor and impose a reasonable markup or charge for administering the payment. Franchisor may implement a centralized purchasing system. Franchisor may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Franchisor may determine.

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

8.6 Product Recalls. If Franchisor or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from Franchisor or the vendor, supplier, or manufacturer of such item with respect to such item, including without limitation the recall, repair, or replacement of such item.

ARTICLE 9. MARKETING

9.1 Approval and Implementation. Franchisee shall not conduct any marketing, advertising, or public relations activities, including without limitation, marketing materials, websites, online advertising, social media marketing or presence, and sponsorships, which have not been approved by Franchisor. Franchisor may, but is not obligated to, operate all “social media” accounts on behalf of the System, or it may permit franchisees to operate one or more accounts. Franchisee must comply with any System Standards regarding marketing, advertising, and public relations, include any social media policy that Franchisor may prescribe. Franchisee shall implement any social media and marketing plans, or campaigns as determined by Franchisor. If Franchisor permits Franchisee to operate its own social media accounts, Franchisee shall obtain Franchisor’s prior approval for any and all social media postings or content relating or referring to the Business or the Marks, or in any way associated with the Business or the Marks.

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

9.3 Marketing Fund. Franchisor may establish a Marketing Fund to promote the System on a local, regional, national, and/or international level upon thirty (30) days’ notice to Franchisee and require a monthly contribution of one percent (1%) of Gross Sales to the fund. If Franchisor has already established a Marketing Fund as of the date of this Agreement, the following shall apply.

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

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

(c) Discretion. Franchisee agrees that expenditures from the Marketing Fund need not be proportionate to contributions made by Franchisee or provide any direct or indirect benefit to Franchisee. The Marketing Fund will be spent at Franchisor’s sole discretion, and Franchisor is not a fiduciary with respect to the Marketing Fund.

(d) Contribution by Other Outlets. Franchisor is not obligated to (i) have all other New Life businesses (whether owned by other franchisees or by Franchisor or its affiliates) contribute to the Marketing Fund, or (ii) have other New Life businesses contribute the same amount or at the same rate as Franchisee.

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

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

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

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

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

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

(d) Funding. The majority vote of the Market Cooperative will determine the dues to be paid by members of the Market Cooperative, including Franchisee, but not less than 1% and provided Franchisor or its affiliates have a majority vote, not more than 3% of Gross Sales.

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

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

9.5 Local Advertising and Marketing. Franchisee shall spend at least three percent (3%) of Gross Sales each month on marketing the Business. Upon request of Franchisor, Franchisee shall furnish proof of its compliance with this Section. Franchisor has the sole discretion to determine what activities constitute “marketing” under this Section. Franchisor may, in its discretion, determine that if Franchisee contributes to a Market Cooperative, the amount of the contribution will be counted towards Franchisee’s required spending under this Section.

Advertising Fund

9.6 Market Introduction Plan. Franchisee must develop a market introduction plan and obtain Franchisor’s approval of the market introduction plan at least thirty (30) days before the projected opening date of the Business.

ARTICLE 10. RECORDS AND REPORTS

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

10.2 Reports.

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

- (i) a monthly profit and loss statement and balance sheet for the Business within thirty (30) days after the end of each calendar month;
- (ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within ninety (90) days after the end of Franchisor’s fiscal year; and
- (iii) any information Franchisor requests in order to prepare a financial performance representation for Franchisor’s franchise disclosure document.

(b) Legal Actions and Investigations. Franchisee shall promptly notify Franchisor of any Action or threatened Action by any customer, governmental authority, or other third party against Franchisee or the Business, or otherwise involving the Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Franchisor may request.

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

(d) **Other Information.** Franchisee shall submit to Franchisor such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Franchisor may reasonably request.

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

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

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

ARTICLE 11. FRANCHISOR'S RIGHTS

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

11.2 Inspections. Franchisor may enter the premises of the Business from time to time during normal business hours and conduct an inspection. Franchisee shall cooperate with the Franchisor's inspectors. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Franchisor may videotape and/or take photographs of the inspection and the Business. Franchisor may set a minimum score requirement for inspections, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Franchisor's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Franchisor conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System

Standard by Franchisee, including following up a previous failed inspection, then Franchisor may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

11.3 Franchisor's Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, Franchisor may, but shall not be obligated to, take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse Franchisor for its costs and expenses, including, without limitation, the allocation of any internal costs for such action, plus a ten percent (10%) administrative fee.

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

11.5 Business Data. All customer data and other non-public data generated by the Business is Confidential Information and is exclusively owned by Franchisor. Franchisor hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement and any renewals thereof.

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

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

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

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

11.10 Temporary Public Safety Closure. If Franchisor discovers or becomes aware of any aspect of the Business which, in Franchisor's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon notice from Franchisor, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. Franchisor shall

not be liable to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

ARTICLE 12. MARKS

12.1 Authorized Marks. Franchisee shall not use any trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by Franchisor only in the manner designated by Franchisor. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, shall inure to the exclusive benefit of Franchisor.

12.2 Change of Marks. Franchisor may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Franchisor makes any such change, Franchisee must comply with the change at Franchisee's sole expense.

12.3 Infringement.

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

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

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

ARTICLE 13. COVENANTS

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

13.2 Covenants Not to Compete.

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

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason or, where applicable, for two years after a Transfer, no Restricted Party shall directly or indirectly operate, have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor which is located at the premises upon which the New Life is or was located or is located or within a twenty-five (25) mile radius of the Franchisee’s location or any other New Life location, whether owned by Franchisor or another Franchisee. Franchisee expressly agrees that the two-year period and the twenty-five (25) mile radius are the reasonable and necessary time and distance needed to protect Franchisor if this Agreement expires or is terminated for any reason. Franchisee agrees that the two-year time period of the non-competition provision shall not accrue during any time period that Franchisee or any Restricted Party is in violation of this covenant. If this Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and the territory of any other New Life business operating on the date of termination.

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

13.3 General Manager and Key Employees. If requested by Franchisor, Franchisee will cause its general manager and other employees to sign Franchisor’s then-current form of confidentiality and non-compete agreement.

ARTICLE 14. DEFAULT AND TERMINATION

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

14.2 Termination by Franchisor.

(a) Termination Subject to 10-Day Cure Period. Franchisor may terminate this Agreement if Franchisee does not make any payment to Franchisor when due, or if Franchisee has insufficient funds in its account when Franchisor attempts an electronic funds withdrawal, and

Franchisee fails to cure such non-payment within ten (10) days after Franchisor gives notice to Franchisee of such breach.

(b) Termination Subject to 30-Day Cure Period. Franchisor may terminate this Agreement if Franchisee breaches this Agreement in any manner not described in subsection (a) or (c) of this Section 14.2, and Franchisee fails to cure such breach to Franchisor's satisfaction within thirty (30) days after Franchisor notifies Franchisee of the breach.

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

- (i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or makes any misrepresentation in this Agreement;
- (ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Franchisor;
- (iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for thirty (30) days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within forty-five (45) days, or Franchisee is adjudicated as bankrupt;
- (iv) Franchisee fails to open for business by the date specified on the Summary Page after ten (10) days' notice from Franchisor;
- (v) Franchisee loses possession of the Location;
- (vi) Franchisee or any Owner commits a material violation of Section 7.2 of this Agreement (compliance with laws) or Section 13.1 of this Agreement (confidentiality), violates Section 13.2 of this Agreement (non-compete) or Article 15 of this Agreement (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;
- (vii) Franchisee abandons the Business or ceases operation of the Business for more than five (5) consecutive days;
- (viii) Franchisee or any Owner slanders or libels Franchisor or any of its employees, directors, or officers;
- (ix) Franchisee refuses to cooperate with or permit any audit or inspection by Franchisor or its agents or contractors, or otherwise fails to comply with Sections 10.5 or 11.2 of this Agreement;

- (x) the Business is operated in a manner which, in Franchisor's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within forty-eight (48) hours after becoming aware of the danger, whether as a result of notice from Franchisor or otherwise;
- (xi) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;
- (xii) Franchisor or any Franchisor affiliate terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee or its affiliate; provided however, that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not automatically give Franchisor the right to terminate this Agreement;
- (xiii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or
- (xiv) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in Franchisor's opinion is reasonably likely to materially and unfavorably affect the New Life brand.

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

- (i) pay all amounts owed to Franchisor;
- (ii) return to Franchisor all copies of the Manual, Confidential Information and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items; and delete all Confidential Information and proprietary materials from electronic devices;
- (iii) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Franchisor or any new franchisee as may be directed by Franchisor, and Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing; and
- (iv) cease doing business under any of the Marks.

14.4 Remove Identification. Within thirty (30) days after termination or expiration of this Agreement, Franchisee shall at its own expense "de-identify" the Location so that it no longer

contains the Marks, signage, or any trade dress of or associated with a New Life business, to the reasonable satisfaction of Franchisor. Franchisee shall comply with any reasonable instructions and procedures of Franchisor for de-identification. If Franchisee fails to do so within thirty (30) days after this Agreement expires or is terminated, Franchisor may enter the Location to remove the Marks and de-identify the Location. In this event, Franchisor will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Franchisor.

14.5 Liquidated Damages. If Franchisor terminates this Agreement based upon Franchisee's default or if Franchisee purports to terminate this agreement for any reason not specified in Section 14.1 of this Agreement, then within ten (10) days thereafter Franchisee shall pay to Franchisor a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average Royalty Fees and Marketing Fund Contributions that Franchisee owed to Franchisor under this Agreement for the 52-week period preceding the date on which Franchisee ceased operating the Business; multiplied by (y) the lesser of (i) 104 or (ii) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 52 weeks, then (x) will equal the average Royalty Fees and Marketing Fund Contributions that Franchisee owed to Franchisor during the period that Franchisee operated the Business. The "average Royalty Fees and Marketing Fund Contributions that Franchisee owed to Franchisor" shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions set forth in an addendum to this Agreement unless this Section 14.5 of this Agreement is specifically amended in such addendum. Franchisee acknowledges that a precise calculation of the full extent Franchisor's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to Franchisor under this Section 14.5 will be in lieu of any direct monetary damages that Franchisor may incur as a result of Franchisor's loss of Royalty Fees and Marketing Fund Contributions that would have been owed to Franchisor after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Sections 14.3 and 14.4 of this Agreement, Franchisor's right to injunctive relief for enforcement of Article 13 of this Agreement, and any attorneys' fees and other costs and expenses to which Franchisor is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Franchisor may have under this Agreement or otherwise.

14.6 Purchase Option. When this Agreement expires or is terminated, Franchisor has the right but not the obligation to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to Franchisor. To exercise this option, Franchisor must notify Franchisee no later than thirty (30) days after this Agreement expires or is terminated. The purchase price for all assets that Franchisor elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within thirty (30) days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Franchisor's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. Franchisor may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee

will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by the Franchisor. If Franchisor exercises the purchase option, Franchisor may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Franchisor to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Franchisor may pay a portion of the purchase price directly to the lienholder to pay off such lien. Franchisor may withhold twenty-five percent (25%) of the purchase price for ninety (90) days to ensure that all of Franchisee's taxes and other liabilities are paid. Franchisor may assign this purchase option to another party.

ARTICLE 15. TRANSFERS

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

15.2 By Franchisee. Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Franchisor entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not Transfer this Agreement without obtaining Franchisor's prior written consent, which shall not be unreasonably withheld provided that certain conditions of Transfer are satisfied, including, without limitation, the following:

- (i) Franchisor receives a transfer fee equal to fifty percent (50%) of the then-current initial franchise fee plus any broker fees and other out-of-pocket costs incurred by Franchisor;
- (ii) the proposed assignee and its owners have completed Franchisor's franchise application processes, meet Franchisor's then-applicable standards for new franchisees, and have been approved by Franchisor as franchisees;
- (iii) the proposed assignee is not a Competitor;
- (iv) the proposed assignee executes Franchisor's then-current form of franchise agreement and any related documents, which form may contain materially different provisions than this Agreement (provided, however, that the proposed assignee will not be required to pay an initial franchise fee);
- (v) all owners of the proposed assignee provide a guaranty in accordance with Section 2.5 of this Agreement;
- (vi) Franchisee has paid all monetary obligations to Franchisor and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Franchisor or its affiliates;
- (vii) the proposed assignee and its owners and employees undergo such training as Franchisor may require;

(viii) Franchisee, its Owners, and the transferee and its owners execute a general release of Franchisor in a form satisfactory to Franchisor; and

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

15.3 Transfer for Convenience of Ownership. If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least fifteen (15) days' notice to Franchisor, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.3 of this Agreement; (2) Franchisee provides copies of the entity's charter documents, by-laws or operating agreement and similar documents, as may be requested by Franchisor, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.5 of this Agreement.

15.4 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Franchisor (or to another person who was an Owner at the time of death or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2 of this Agreement.

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

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

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

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend, with counsel reasonably acceptable to Franchisor, Franchisor, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Franchisor and/or any Indemnatee arising directly or indirectly related to, or alleged to arise out of, the operation of the Business. Franchisee shall not

settle an Action without the consent of the Indemnitee. This indemnity will continue in full force and effect and shall survive any termination or expiration of this Agreement.

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

ARTICLE 17. DISPUTE RESOLUTION

17.1 Arbitration.

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

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

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

(d) Intellectual Property Claims. A claim involving an alleged infringement of any of Franchisor's intellectual property rights may be brought in a court authorized to hear such claims under Section 17.5 of this Agreement without first proceeding in arbitration.

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

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

17.2 Damages. In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages expressly authorized by federal statute and damages expressly authorized by this Agreement.

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

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

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

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

ARTICLE 18. MISCELLANEOUS

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

18.2 No Third-Party Beneficiaries. This Agreement does not confer any rights or remedies upon any person or entity other than Franchisee and Franchisor.

18.3 Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior discussions, negotiations and representations. Nothing in the agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.

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

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

delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

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

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

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

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to New Life Assisted Living, LLC, addressed to Chief Executive Officer, 6901 Scarlet Oak Drive, Elkridge, Maryland, 21075. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, Franchisor may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication.

18.10 Holdover. If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2 of this Agreement, then at any time (regardless of any course of dealing by the parties), Franchisor may by giving written notice to Franchisee (the “Holdover Notice”) either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Franchisor specifies, or (ii) bind Franchisee to a renewal term of 5 years, and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi) of this Agreement.

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

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

[Signatures on next page]

Agreed to by:

FRANCHISOR:
New Life Assisted Living, LLC

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

FRANCHISEE:

[if an individual:]

Name: _____
Date: _____

[if an entity:]

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

EXHIBIT 1 TO THE
NEW LIFE FRANCHISE AGREEMENT

OWNERSHIP INFORMATION

1. **Form of Ownership.** Franchisee is a (check one):

_____ *Sole Proprietorship*
_____ *Partnership*
_____ *Limited Liability Company*
_____ *Corporation*

State: _____

2. **Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. **Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

EXHIBIT 2 TO THE
NEW LIFE FRANCHISE AGREEMENT
LOCATION ACCEPTANCE LETTER

To: New Life Assisted Living, LLC

This Location Acceptance Letter is issued by _____ for your New Life franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

2. The Territory of the Business is:

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

EXHIBIT 3 TO THE
NEW LIFE FRANCHISE AGREEMENT

GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this “Guaranty”) is executed by the undersigned person(s) (each, a “Guarantor”) in favor of New Life Assisted Living, LLC, a Maryland Limited Liability Company (“Franchisor”).

Background Statement: _____ (“Franchisee”) desires to enter into a Franchise Agreement with Franchisor for the franchise of a New Life business (the “Franchise Agreement,” capitalized terms used but not defined in this Guaranty have the meanings given in the Franchise Agreement). Guarantor owns an equity interest in Franchisee. Guarantor is executing this Guaranty in order to induce Franchisor to enter into the Franchise Agreement.

Guarantor agrees as follows:

- 1. Guaranty.** Guarantor hereby unconditionally guarantees to Franchisor and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Franchise Agreement and further guarantees every other liability and obligation of Franchisee to Franchisor, whether or not contained in the Franchise Agreement. Guarantor shall render any payment or performance required under the Franchise Agreement or any other agreement between Franchisee and Franchisor upon demand from Franchisor. Guarantor waives (a) acceptance and notice of acceptance by Franchisor of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law which requires that Franchisor make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.
- 2. Confidential Information.** With respect to all Confidential Information Guarantor shall (a) adhere to all security procedures prescribed by Franchisor for maintaining confidentiality, (b) disclose such information to its employees only to the extent necessary for the operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor, (d) exercise the highest degree of diligence and make every effort to maintain the confidentiality of all such information during and after the term

of the Franchise Agreement, (e) not copy or otherwise reproduce any Confidential Information, and (f) promptly report any unauthorized disclosure or use of Confidential Information. Guarantor acknowledges that all Confidential Information is owned by Franchisor or its affiliates (except for Confidential Information which Franchisor licenses from another person or entity). Guarantor acknowledges that all customer data generated or obtained by Guarantor is Confidential Information belonging to Franchisor. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

3. Covenants Not to Compete.

(a) **Restriction - In Term.** During the term of the Franchise Agreement, Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor.

(b) **Restriction – Post Term.** For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within twenty-five (25) miles of Franchisee's Territory or the territory of any other New Life business operating on the date of termination or transfer, as applicable. If the Franchise Agreement is terminated before the Territory is determined, then the area of non-competition will be the Development Area and the territory of any other New Life business operating on the date of termination.

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

4. Modification. Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Franchise Agreement, (b) any extension of time, credit or other indulgence which Franchisor may from time-to-time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

5. Governing Law; Dispute Resolution. This Guaranty shall be governed by and construed in accordance with the laws of the state of Maryland (without giving effect to its principles of conflicts of law). The parties agree that any Maryland law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Franchisor all costs incurred by Franchisor (including

reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

Name: _____
Address: _____

Date: _____

Name: _____
Address: _____

Date: _____

Name: _____
Address: _____

Date: _____

EXHIBIT 4 TO THE
NEW LIFE FRANCHISE AGREEMENT

ACH PAYMENT AGREEMENT

ACCOUNT NAME: _____
CUSTOMER NUMBER: _____
FRANCHISE NAME: _____

AUTHORIZATION AGREEMENT FOR ACH Payments:

(I/we) do hereby authorize New Life Assisted Living, LLC, a Maryland Limited Liability Company, (hereinafter "Franchisor") to initiate (debit or credit) entries to (my/our) (Checking Account / Savings Account) as indicated and named below as the depository financial institution, hereafter named FINANCIAL INSTITUTION pursuant to the terms of the Franchise Agreement by and between us and the Franchisor.

(I/we) acknowledge that the origination of ACH transactions to my (my/our) account must comply with the provisions of U.S. law. Furthermore, if any such debit(s) should be returned NSF, (I/we) authorize the Franchisor to collect such debit(s) by electronic debit and subsequently collect a returned debit NSF fee of \$75 per item by electronic debit from my account identified below. In the event all funds and interests are not received by Franchisor within 15 days from presentment and intended withdrawal from our account by Franchisor, then we will be deemed in default of the Franchise Agreement. We further agree to pay all reasonable costs of collection including but not limited to reasonable attorney's fees and court costs incurred by Franchisor. I am a duly authorized check signer on the financial institution account identified below and authorize all of the above as evidenced by my signature below.

CHECK (ACH) INFORMATION ROUTING NUMBER:

ACCOUNT NUMBER: _____
DEPOSITORY NAME: _____
BRANCH: _____
CITY: _____ STATE: _____ ZIP: _____

COMPANY NAME: _____
FIRST NAME/LAST NAME: _____
BILLING ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
PHONE NUMBER: _____
CUSTOMER NUMBER: _____
SIGNATURE ON FILE: _____
PHONE OR EMAIL APPROVAL AUTHORIZATION NUMBER: _____

FRANCHISEE: _____

By: _____

Name: _____

Title: _____
Date: _____

EXHIBIT 5 TO THE
NEW LIFE FRANCHISE AGREEMENT

RIDER TO LEASE AGREEMENT

Landlord: _____ Franchisor: New Life Assisted Living, LLC
Notice Address: _____

Notice Address:

Telephone: _____ 6901 Scarlet Oak Drive
Elkridge, Maryland, 21075
Telephone: _____

Tenant: _____

Leased Premises: _____

1. Use. Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of a New Life business (or any name authorized by Franchisor).

2. Notice of Default and Opportunity to Cure. Landlord shall provide Franchisor with copies of any written notice of default ("Default") given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within ten (10) days after the expiration of the period in which Tenant may cure the Default.

3. Termination of Lease. Proprietor shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant's Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within fifteen (15) days after Franchisor receives notice of the termination of the Lease.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

5. Assignment and Subletting. Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease. If Franchisor becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the New Life brand. Any provision of the Lease

which limits Tenant's right to own or operate other New Life outlets in proximity to the Leased Premises shall not apply to Franchisor.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant's business.

7. Right to Enter. Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

8. No Liability. By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

Executed by:

LANDLORD:

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISOR:

New Life Assisted Living, LLC

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C TO DISCLOSURE DOCUMENT

MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (this “MUDA”) is made between New Life Assisted Living, LLC, a Maryland Limited Liability Company (“Franchisor”) and _____, a _____ (“Franchisee”) on _____, _____, 20____ the (“Effective Date”).

Background Statement: On the same day as they executed this MUDA, Franchisor and Franchisee have entered into a Franchise Agreement for the franchise of a New Life business (the “Franchise Agreement,” capitalized terms used but not defined in this MUDA have the meanings given in the Franchise Agreement). Franchisor and Franchisee desire that Franchisee open multiple New Life businesses.

1. Multi-Unit Commitment.

- (a) Development Schedule; Fee. Franchisee shall develop and open _____ businesses on the following schedule:

Franchise #	Deadline for Opening	Total franchisees to be Open and Operating on Deadline	Initial Franchise Fee
1		1	\$ _____
2		2	\$ _____
3		3	\$ _____
4		4	\$ _____
5		5	\$ _____
Total Initial Franchise Fee:			

- (b) Payment. Upon execution of this MUDA, Franchisee shall pay the total Initial Franchise Fees to Franchisor. The Initial Franchise Fees are non-refundable.

2. Form of Agreement. For the first location, Franchisee and Franchisor have executed the Franchise Agreement simultaneously with this MUDA. For each additional franchise, Franchisee shall execute Franchisor’s then-current standard form of franchise agreement no later than three business days after Franchisee leases or acquires a location for the franchise. This MUDA does not give Franchisee the right to construct, open, or operate a New Life business, and Franchisee acknowledges that Franchisee may construct, open, and operate each New Life business only pursuant to a separate franchise agreement executed pursuant to this MUDA for each New Life business.

3. Development Area. Franchisee shall locate each New Life business it develops under this MUDA within the following area: _____ (the “Development Area”). Franchisee acknowledges that it does not have exclusive rights to develop, open or operate New Life businesses in the Development Area.

4. Default and Termination. Franchisor may terminate this MUDA by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

- (i) Franchisee fails to satisfy the development schedule; or
- (ii) Franchisor has the right to terminate any franchise agreement between Franchisor and Franchisee (or any affiliate thereof) due to Franchisee’s default thereunder (whether or not Franchisor actually terminates such franchise agreement).

5. Limitation of Liability. Franchisee’s commitment to develop New Life businesses is in the nature of an option only. If Franchisor terminates this MUDA for Franchisee’s default, Franchisee shall not be liable to Franchisor for lost future revenues or profits from the unopened New Life businesses.

6. Conditions. Franchisee’s right to develop each New Life franchise after the first franchise is subject to the following:

- (i) Franchisee must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional New Life business, in the reasonable judgment of Franchisor, and
- (ii) Franchisee must be in full compliance with all brand requirements at its operating New Life businesses, and not in default under any Franchise Agreement or any other agreement with Franchisor.

7. Dispute Resolution; Miscellaneous. The laws of the State of Maryland (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Maryland law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 7. Franchisee shall not Transfer this MUDA without the prior written consent of Franchisor, and any Transfer without Franchisor’s prior written consent shall be void. The provisions of Article 17 (Dispute Resolution) and Article 18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

[Signatures on Next Page]

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

[if an individual:]

Name: _____

[if an entity:]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT D TO DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

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

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of New Life Assisted Living, LLC, a Maryland Limited Liability Company ("Franchisor").

Background Statement: *[describe circumstances of Release]*

Releasor agrees as follows:

- 1. Release.** Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties")) hereby releases Franchisor its affiliates, and their respective directors, officers, shareholders, employees, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, "Claims").
- 2. Covenant Not to Sue.** Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of crossclaim, defense, or counterclaim, against any Released Party with respect to any Claim.
- 3. Representations and Acknowledgments.** Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.
- 4. Miscellaneous.** If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Franchisor reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof. This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Agreed to by:

Name: _____
Date: _____

EXHIBIT E TO DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

NEW LIFE ASSISTED LIVING LLC

FINANCIAL STATEMENTS

Financial Statements For The Years Ended December 31, 2025 &
December 31, 2024

TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Management of NEW LIFE ASSISTED LIVING LLC

Opinion

We have audited the financial statements of NEW LIFE ASSISTED LIVING LLC (the "Company"), which comprise the balance sheet as of December 31, 2025 & December 31, 2024, and the related statements of income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 & December 31, 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:



- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Naper CPA Group

Naper CPA Group

Naperville, IL
April 16, 2026



NEW LIFE ASSISTED LIVING LLC
BALANCE SHEET
AS OF DECEMBER 31, 2025 & DECEMBER 31, 2024

	<u>12/31/25</u>	<u>12/31/24</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$53,333	\$19,356
Accounts Receivable	-	6,500
TOTAL CURRENT ASSETS	<u>53,333</u>	<u>25,856</u>
NON-CURRENT ASSETS		
TOTAL NON-CURRENT ASSETS	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u><u>53,333</u></u>	<u><u>25,856</u></u>
<u>LIABILITIES AND OWNER'S EQUITY</u>		
CURRENT LIABILITIES		
Company Credit Card	2,499	-
Deferred Revenue (current)	5,938	1,250
TOTAL CURRENT LIABILITIES	<u>8,437</u>	<u>1,250</u>
NON-CURRENT LIABILITIES		
Deferred Revenue	38,438	10,625
TOTAL NON-CURRENT LIABILITIES	<u>38,438</u>	<u>10,625</u>
TOTAL LIABILITIES	<u>46,874</u>	<u>11,875</u>
OWNER'S EQUITY		
Retained Earnings (Deficit)	(24,080)	1,048
Net Income (Loss)	30,538	12,933
TOTAL SHAREHOLDERS' EQUITY	<u>6,458</u>	<u>13,981</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$53,333</u></u>	<u><u>\$25,856</u></u>

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

NEW LIFE ASSISTED LIVING LLC
STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025 & DECEMBER 31, 2024

	<u>2025</u>	<u>2024</u>
Revenue		
Revenue	\$ 71,347	\$ 13,125
Total Revenue	71,347	13,125
Cost of Sales	-	-
Gross Profit	71,347	13,125
Operating Expense		
SGA Expenses	3,916	192
Advertising & Marketing Expense	22,879	-
Travel Expense	14,012	-
Total Operating Expenses	40,808	192
Net Income From Operations	30,538	12,933
Other Income (Expense)		
Total Other Income (Expense)	-	-
Net Income Before Provision for Income Tax	30,538	12,933
Provision for Income Taxes	-	-
Net Income (Loss)	<u>\$ 30,538</u>	<u>\$ 12,933</u>

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

NEW LIFE ASSISTED LIVING LLC
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2025 & DECEMBER 31, 2024

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	\$ -	\$ -	\$ -
Net Income For The Period Ended December 31, 2024	-	12,933	12,933
Equity Contributions (Distributions)	-	1,048	1,048
Balance, December 31, 2024	\$ -	\$ 13,981	\$ 13,981

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	\$ 13,981	\$ -	\$ 13,981
Net Income for the period ending December 31, 2025	-	30,538	30,538
Equity Contributions (Distributions)	-	(38,061)	(38,061)
Balance, December 31, 2025	\$ 13,981	\$ (7,523)	\$ 6,458

*See Independent Auditor's Report and accompanying notes, which are an integral
part of these financial statements.*

NEW LIFE ASSISTED LIVING LLC
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 & DECEMBER 31, 2024

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES		
Net Income	\$ 30,538	\$ 12,933
Non-Cash Adjustments		
Changes in Current Assets	6,500	(6,500)
Changes in Deferred Revenue	32,500	11,875
Changes in Company Credit Card	2,499	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>72,038</u>	<u>18,308</u>
INVESTING ACTIVITIES		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
FINANCING ACTIVITIES		
Owner's Contribution	(38,061)	1,048
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(38,061)</u>	<u>1,048</u>
NET INCREASE (DECREASE) IN CASH	33,977	19,356
CASH AT BEGINNING OF PERIOD	<u>19,356</u>	<u>-</u>
CASH AT END OF PERIOD	<u>\$ 53,333</u>	<u>\$ 19,356</u>

See Independent Auditor's Report and accompanying notes, which are an integral part of these financial statements.

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

NEW LIFE ASSISTED LIVING LLC (the "Company") was incorporated under the laws of the State of Maryland for the purpose of offering franchise opportunities to entrepreneurs who want to own their own 'New Life' location, as a franchise.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include all adjustments necessary for the fair presentation of the Company's financial position, results of operations, and cash flows for the periods presented. The Company has adopted the calendar year as its fiscal year for financial reporting purposes.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the standalone selling prices of performance obligations in franchise arrangements, the allowance for doubtful accounts on franchisee receivables, the useful lives of long-lived assets, and the evaluation of contingencies. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Company maintains its cash accounts at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC"). At times, cash balances may exceed FDIC insured limits. The Company has not experienced any losses related to these balances.

Franchisee Receivables

Franchisee receivables primarily consist of initial franchise fees, ongoing royalty fees, advertising fund contributions, and other fees charged to franchisees. Receivables are recorded when revenue is recognized prior to invoicing or when amounts are invoiced to franchisees. The Company reports receivables at their net realizable value, which includes an appropriate allowance for doubtful accounts.

The allowance for doubtful accounts is determined based on management's assessment of several factors, including historical collection experience, current economic conditions, franchisee credit quality, aging of receivable balances, and individual franchisee circumstances. Accounts receivable are written off against the allowance when management determines that collection is no longer probable. The

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Franchisee Receivables (cont.)

allowance for doubtful accounts was \$0 and \$0 as of December 31, 2025, and 2024, respectively. Bad debt expense for the years ended December 31, 2025, and 2024 were \$0 and \$0 respectively.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

- Computer equipment and software: 5 years
- Furniture and fixtures: 7 years
- Leasehold improvements: Shorter of lease term or useful life

Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the statements of income.

The Company reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is assessed by comparing the carrying amount to the undiscounted future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment recognized is measured as the amount by which the carrying amount exceeds the fair value. No impairment losses were recorded during the years ended December 31, 2025 and 2024.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers. Under ASC 606, revenue is recognized when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company applies the following five-step model:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognize revenue when (or as) performance obligations are satisfied

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Practical Expedient for Pre-Opening Services

The Company has elected to apply the practical expedient provided in ASC 952-606-25-2, which permits private company franchisors to account for certain pre-opening services as distinct from the franchise license. Under this practical expedient, the Company accounts for the following pre-opening services as a single performance obligation, distinct from the franchise license:

- Site selection assistance and architectural, engineering, and other professional services
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Inspection, testing, and other quality control programs

Principal Sources of Revenue

Initial Franchise Fees

The Company charges initial franchise fees to franchisees for the right to operate a franchised location. The franchise agreement grants the franchisee access to the Company's proprietary brand, trademarks, operating systems, and ongoing support services over the term of the franchise agreement.

Under ASC 606, the Company has identified the following performance obligations in its franchise agreements:

1. Pre-opening services (accounted for as a single performance obligation under the practical expedient)
2. Franchise license (right to access the Company's intellectual property over the term of the agreement)

The Company allocates the initial franchise fee to these performance obligations based on their relative standalone selling prices. The standalone selling price of pre-opening services is determined using an adjusted market assessment approach, considering the cost of similar services if acquired from third-party providers. The residual amount is allocated to the franchise license.

Revenue allocated to pre-opening services is recognized when those services are completed, typically prior to the franchise location opening. Revenue allocated to the franchise license is recognized on a straight-line basis over the term of the franchise agreement, beginning when the franchise location opens, as this is when the franchisee is able to use and benefit from the Company's intellectual property.

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Continuing Royalty Fees

Franchisees are required to pay continuing royalty fees based on a percentage of their gross sales. These royalty fees relate to the ongoing franchise license and are considered sales-based royalties on licenses of intellectual property under ASC 606-10-55-65. In accordance with this guidance, royalty revenue is recognized in the period in which the underlying franchisee sales occur. The Company typically receives royalty reports and payments from franchisees by the following month.

Unearned Revenue

The Company's primary performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the standalone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—"Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient" is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

Advertising Costs

Advertising costs incurred by the Company (excluding advertising fund expenditures) are expensed as incurred.

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Income Taxes

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities.

Fair Value Measurements

The Company applies the provisions of ASC Topic 820, Fair Value Measurement, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

ASC 820 establishes a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The carrying amounts reported in the balance sheet for cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate their fair values due to the short-term nature of these instruments.

Commitments and Contingencies

The Company may be subject to various legal proceedings and claims that arise in the ordinary course of business, including disputes with franchisees, employment matters, and intellectual property claims. Management evaluates contingent matters in accordance with ASC Topic 450, Contingencies, to assess the likelihood of losses and determines if accrual or disclosure is appropriate. Liabilities for

NEW LIFE ASSISTED LIVING LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS DECEMBER 31, 2025 & DECEMBER 31, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Commitments and Contingencies (cont.)

contingencies are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. When a loss is reasonably possible, but not probable, or when a loss is probable but cannot be reasonably estimated, disclosure of the contingency is provided in the notes to the financial statements.

NOTE 3 – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE 4 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 16, 2026, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.



924 W. 75th Street
Suite 120 - 189
Naperville, IL 60565
+1 (815) 348-2421
omar@napercpa.com

CONSENT

Naper CPA Group, consents to the use in the Franchise Disclosure Document issued by NEW LIFE ASSISTED LIVING LLC ("Franchisor") on April 16, 2026, as it may be amended, of our report dated April 16, 2026, relating to the Balance Sheet as of December 31, 2025 & December 31, 2024, the related statements of income, changes in shareholders' equity, and cash flows for the years then ended of Franchisor.

A handwritten signature in blue ink that reads 'Naper CPA Group'.

Naper CPA Group

Naperville, IL
April 16, 2026



EXHIBIT F TO DISCLOSURE DOCUMENT
OPERATIONS MANUAL TABLE OF CONTENTS

New Life Assisted Living
Franchise Brand Standards Manual
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EXHIBIT G TO DISCLOSURE DOCUMENT
CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

ANOC Staffing Solutions, 7105 Brooklyn Bridge Road, Laurel, MD 20707, 410-274-1680

Doris Mahlangu, 10201 Wisconsin Cir, Apt 801, Columbia, MD, 21044, 647-472-8947

Note: We did not have any multi-unit developers at the close of our last fiscal year.

Not Open as of December 31, 2025

Doxa Assisted Living 647-472-8947

New Chapter Assisted Living 202-369-2178

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

EXHIBIT H TO DISCLOSURE DOCUMENT
STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

OUR WEBSITE 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.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF BUSINESS OVERSIGHT NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, HAWAII, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

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

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

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

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

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

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

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

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

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

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

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

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

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

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

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

1. A franchise registration is effective, or an offering circular is on file in the following states: _____
2. A proposed registration or filing is or will be shortly on file in the following states:

3. No states have refused, by order or otherwise to register these franchises.
4. No states have revoked or suspended the right to offer these franchises.
5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

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

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

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

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

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

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

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

The following is added to Item 5

Fee Deferral

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. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

The following is added to Item 17:

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

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

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

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

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

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

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION

WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

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

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity

as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for a franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by a franchisee”:

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

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum,” and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the Rev. April 2, 2024, time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

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

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

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

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

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

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

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

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

EXHIBIT I
STATE ADDENDA TO AGREEMENTS

ILLINOIS RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, LLC, a Maryland Limited Liability Company, ("Franchisor") and _____, a _____ ("Franchisee").

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Illinois Act" means the Illinois Franchise Disclosure Act of 1987.
- 2. Governing Law and Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, the Agreement is governed by Illinois law. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois, except for matters which the Agreement provides will be resolved by arbitration.
- 3. Limitation of Claims.** No action can be maintained to enforce any liability created by the Illinois Act unless brought before the expiration of 3 years from the act or transaction constituting the violation upon which it is based, the expiration of 1 year after Franchisee become aware of facts or circumstances reasonably indicating that Franchisee may have a claim for relief in respect to conduct governed by the Illinois Act, or 90 days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.
- 4. Waivers Void.** Notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.
- 5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

INDIANA RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, LLC, a Maryland Limited Liability Company, ("Franchisor") and _____, a _____ ("Franchisee").

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

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

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

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

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

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

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

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase

notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

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

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

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

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

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

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

Agreed to by:

FRANCHISOR:
New Life Assisted Living, LLC

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

FRANCHISEE:

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

**MARYLAND RIDER TO FRANCHISE AGREEMENT AND MULTI-UNIT
DEVELOPMENT AGREEMENT**

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, a Maryland Limited Liability Company, ("Franchisor") and _____, a _____ ("Franchisee").

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.
- 2. Releases, Estoppels and Waivers of Liability.** All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.
- 3. Statute of Limitations.** Any provision of the Agreement which provides for a period of limitations for causes of action shall not apply to causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland. Franchisee must bring an action under such law within three years after the grant of the franchise.
- 4. Jurisdiction.** Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
- 5. Disclaimers.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
- 6. Initial Fees.** Notwithstanding anything to the contrary in the franchise agreement all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Notwithstanding anything to the contrary in the development agreement, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.
- 7. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

By: _____
Name: _____

FRANCHISEE:

By: _____
Name: _____

Title: _____
Date: _____

Title: _____
Date: _____

MINNESOTA RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, LLC, a Maryland Limited Liability Company ("Franchisor") and _____, a _____ ("Franchisee").

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

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

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

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

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

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

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

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

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

FRANCHISEE:

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

**NEW YORK RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT
AGREEMENT**

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, LLC, a Maryland Limited Liability Company ("Franchisor") and _____, a _____ ("Franchisee").

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

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

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

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

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

Agreed to by:

FRANCHISOR:
New Life Assisted Living, LLC

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

FRANCHISEE:

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

NORTH DAKOTA RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the “Agreement”), between New Life Assisted Living, LLC, a Maryland Limited Liability Company (“Franchisor”) and _____, a _____ (“Franchisee”).

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

2. Amendments. The Agreement (and any Guaranty Agreement) is amended to comply with the following:

- (1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.
- (2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee’s business.
- (3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.
- (4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.
- (5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.
- (6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.
- (7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.
- (8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.
- (9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
- (10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

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

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

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

FRANCHISEE:

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

**RHODE ISLAND RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT
AGREEMENT**

This Rider amends the Franchise and Multi-Unit Development Agreement dated _____ (the "Agreement"), between New Life Assisted Living, LLC, a Maryland Limited Liability Company ("Franchisor") and _____, a _____ ("Franchisee").

- 1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.
- 2. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.
- 3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

New Life Assisted Living, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AND MULTI-UNIT DEVELOPMENT AGREEMENT**

The state of Washington has a statute, RCW 19.100.180 which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the 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 limitation period for claims under the Act, 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.

Agreed to by:

FRANCHISOR:

New Life Assisted Living, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

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:

<u>Effective Dates</u>	
California	
Hawaii	
Illinois	
Indiana	
Maryland	June 23, 2025
Michigan	
Minnesota	
New York	May 6, 2025
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If New Life Assisted Living, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If New Life Assisted Living, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Dianne Thomas-Banda	6901 Scarlet Oak Drive, Elkridge, Maryland 21075	410-209-0232

Any additional franchise sellers involved in offering and selling the franchise to you are listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement and listed below: _____

Issuance Date: April 16, 2026

I received a disclosure document dated April 16, 2026, that included the following Exhibits:

- A. State Administrators and Agents for Service of Process
- B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
- C. Multi-Unit Development Agreement
- D. Form of General Release
- E. Financial Statements
- F. Brand Standards Manual Table of Contents
- G. Current and Former Franchisees
- H. Addenda to Disclosure Document
- I. State Addenda to Agreements

Signature: _____
Print Name: _____
Date Received: _____

Keep This Copy For Your Records

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If New Life Assisted Living, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

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The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Dianne Thomas-Banda	6901 Scarlet Oak Drive, Elkridge, Maryland 21075	410-209-0232

Any additional franchise sellers involved in offering and selling the franchise to you are listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement and listed below: _____

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- G. Current and Former Franchisees
- H. State Addenda to Disclosure Document
- I. State Addenda to Agreements

Signature: _____
Print Name: _____
Date Received: _____

Return This Copy To Us