FRANCHISE DISCLOSURE DOCUMENT

One on One Caregiving Services

One on One Caregiving Services
a California corporation
8141 2nd Street – Suite 603
Downey, CA 90241
(800) 980-9394

www.OneOnOneFranchise.care

The franchisee will operate a One on One Caregiving Services non-medical senior care franchise. See Item 1 of this Offering Circular for further details. As of the date of this Offering Circular, the total investment necessary to begin operation of a One on One Caregiving Services senior care franchise is $36,800 to $57,700. This includes the $15,000 to $20,000 in franchise and training fees that must be paid to the franchisor. Items 5 through 7 of this Offering Circular should be consulted for further detail.

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, contact One on One Caregiving Services. at 8141 2nd Street – Suite 603, Downey, CA 90241, 800.980.9394

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

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

There may also be laws on franchising in your state. Ask your state agencies about them.
Issuance date: March 13, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in **Exhibit D** for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN CALIFORNIA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT REQUIRES THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Issuance date: March 13, 2017

California Effective Date:

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSOR & AFFILIATES

To simplify the language in this Franchise Disclosure Document, "We" or "Our" means One on One Caregiving Services, the franchisor. "You" or "Your" means the person who buys the franchise. " One on One Caregiving Services" means the service mark you use in operating the franchise.

The Franchisor and Affiliate

We are a California corporation formed on February 17, 2012. We do business under our corporate name and variations of that name. Our principal business address is 8141 2nd Street – Suite 603, Downey, California 90241. Our agent for service of process is listed in **Exhibit D**.

As a franchise corporation granting franchises, we have not directly operated any type of home heath care business. Since 2006, our Affiliate, Good Shepherd Home Care Services, has operated a non-medical in home care service business similar to the type of franchise we offer in Carson, California. In fact, this business was used as the prototype for developing and refining the franchises we currently offer.

We offered franchises before in this line of business in 2012, but suspended offering them in 2013 to fine tune the business model. We have not offered franchises in any other lines of business.

Our Business

We grant franchises (referred to in this Document as a "One on One Caregiving franchise") for the right to independently establish and operate a non-medical companionship and private duty care business under our proprietary service mark and operating system to elderly persons at the location of their choice. In conducting your franchise, you must follow our standards, specifications and operating procedures. We are engaged in no other business. A franchise for the operation of a One on One Caregiving franchise within a defined territory is granted under the terms of our standard form Franchise Agreement found following Item 23 of this Franchise Disclosure Document.

Market & Competitive Factors

The market you will compete against is comprised of home care of all types and is highly competitive. You will be competing with other franchised chains as well as independent businesses that offer home care services.

The success of your One on One Caregiving franchise will depend on your individual business abilities. You will establish your own business and be subject to the risks associated with any business, including operating proficiency and general business understanding. The general market described above is mature but still developing and is year round.

Industry-Specific Regulations

Pursuant to the Home Care Services Consumer Protection Act of 2013, (the "Act"), you must conform to the Licensure and Certification requirements of the California Department of Public Health, Health and Human Services Agency, by completing and submitting the required application for yourself and your facility as a Home Health Agency, as applicable, prior to starting your franchised business. As of the date of this document, these application(s) can be found at:

http://www.cdph.ca.gov/pubsforms/forms/Pages/HealthFacility-HomeHealthAgency.aspx
The Act will apply to California agencies that provide home care services to consumers. Home care services as related to this Act include nonmedical services and assistance provided by a registered home care aide to a client who, perhaps because of advanced age or physical or mental disability cannot perform these services. These services enable the client to remain in his or her residence and include, but are not limited to, assistance with the following: bathing, dressing, shopping, feeding, exercising, and personal hygiene and grooming.

ITEM 2

BUSINESS EXPERIENCE

President, Chief Financial Officer, Secretary: Edward N. Fernandez

Since February of 2012, Mr. Fernandez, a Registered Nurse, has been President, CEO and Secretary of One on One Caregiving Services in Downey, CA. From March 2010 to the present, he has been a Charge Nurse with Doctors Hospital of West Covina in West Covina, CA. From May of 2005 to July 2009, Edward was a Staff Nurse with Shea Healthcare Center, Inc. in Whittier, CA. From June of 2006 to March 2009, Mr. Fernandez was a Staff Nurse with Downey Community Health Center in Downey, CA. From June of 2013 to Present Staff Nurse with Norwalk Inter Community Health Care Center in 12627 Studebaker Road, Norwalk, CA.

Vice President for Field Operations and Support: Eduardo V. Fernandez

Since February of 2012, Mr. Fernandez has been Vice President for Field Operations and Support of One on One Caregiving Services in Downey, CA. From January of 2010 to January of 2012 he was unemployed. From March of 1995 to November of 2009 he was a District Manager with Insular Life Assurance Company Ltd. in San Jose Antique, Philippines.

<u>Vice President for Training and Field Support: Marianne Mil F. Sanchez</u>

Since February of 2012, Ms. Sanchez has been Vice President for Training and Field Support of One On One Caregiving Services in Downey, CA. From January 2002 up to December of 2008 she was the Chief Physical Therapist of St. Elizabeth's Physical Therapy Center in Antique, Philippines. She was unemployed from January of 2009 to August of 2009. From September 2009 up to October 2011 she was a Physical Therapist at Colonial Care Center in Long beach, CA. From October of 2011 to April 2012 she was a Physical therapist in Orange Healthcare and Wellness Center in Orange, CA. From April 2012 to April 2014 she was a Physical Therapist at Town and Country Manor in Santa Ana, CA.

<u>ITEM 3</u>

LITIGATION

No litigation is required to be disclosed in this Franchise Disclosure Document.

<u>ITEM 4</u>

BANKRUPTCY

No bankruptcy is required to be disclosed in this Franchise Disclosure Document.

<u>ITEM 5</u>

INITIAL FEES

Franchise Fee

You pay us a one-time initial franchise fee in full when you sign the Franchise Agreement based on the schedule below*.

Franchises 1 through 5	$5,000
Franchises 6 onward	$7,000

If you (or your designee) are unable to complete each segment of the training program to our satisfaction, as determined by objective and subjective criteria, we will refund 100% of the franchise fee The franchise fee is non-refundable under any other circumstances.

*The sliding scale for the initial franchise fee is used as an incentive for the early franchisees who choose to join our team.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee†	5% of Gross Revenue	Weekly	Payable on Wednesday of each week. See Section 3.02 of Franchise Agreement (FA).
Network Marketing Fund†	0 currently	Not applicable	Only payable if we decide to implement an marketing fund, then we have the right to charge you up to 2% of your weekly Gross Revenue.
Late Payment Charge †	Payment due plus 10% of the overdue amount.	On receipt of past due invoice	Only payable if a payment you owe us is late and cannot exceed maximum allowed by law. See Section 3.05 of FA.
Repeat Training or New Manager Training Fee†	Then-current training fee which is $500 per day if at our location (or $1,000 per day plus living and travel expenses if at your location).	Payable before the training starts.	Only payable if you (or your trainees) do not pass all segments of our training program, or you ask us to train a new manager, or your new manager is not adequately trained. See FA Sections 3.06, 4.01 and 4.02.
Transfer Training Fee†	Then-current transfer training fee, which is currently $5,000.	At least 30 days before transfer	Only payable if you sell your franchise to a third party. See Section 6.01 of FA.
Consulting Fee †	Then-current consulting amount, which is $75 to $150 per hour.	On receipt of invoice.	Only payable if you request additional support or assistance. See Section 4.02 of FA.
Website Fee †	Currently $500 to $1,000 per year	On receipt of invoice.	For hosting and updates to our website. See Section 4.02 of FA.

Type of Fee	Amount	Due Date	Remarks
Management Fees †	Impossible to estimate.	Weekly from ongoing revenues.	Only payable if you die or are disabled to the point someone is needed to run the business temporarily. See Section 6.02 of FA.
Audit Expenses†	Cost of our audit fees and personnel connected with the audit.	On receipt of invoice	Only payable if we audit you and the audit shows a 5% or more understatement in any reported sales. See Section 3.15 of FA.
Renewal Fee†	$1	Upon signing the Renewal Franchise Agreement.	Payable before you renew your franchise
Indemnification†	Impossible to estimate.	On receipt of invoice.	Only payable if a third party brings a claim against us and you are responsible. See Section 3.12 of FA.
Approved Supplier, etc. Evaluation & Testing Fee†	Cost of our evaluation and testing; currently $250 to $500 per request as an advance retainer.	As incurred	Only payable if you want us to add a new supplier to our approved supplier list or you want to offer new, unapproved services or products. See Section 3.06 of FA.
System Improvements†	Impossible to estimate.	On receipt of invoice.	Only payable when a network-wide improvement is adopted. Could be payable to us or a third party vendor. See Section 3.08 of FA.

† The table above shows fees that are (or under certain circumstances, may be) payable to us or third parties. Unless otherwise noted, all fees are uniformly imposed by and are payable to us per our pricing schedules described in the table and in our Operations Manual. None of the fees are refundable. Read the Franchise Agreement for full details.

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ITEM 7

YOUR ESTIMATED INITIAL INVESTMENT

The notes[1] that follow are an integral part of this Item 7

Type of Expenditure (1)	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (2)	$ 5,000	$7,000	Lump sum	Upon signing the Franchise Agreement	Us
Training Fee (2)	$ 10,000	$ 13,000	Lump sum	On signing the Franchise Agreement	Us
Costs/Expenses (3) associated with training	$1,000	$2,000	Varies	As incurred	Hotel, airline, food etc.
Office set up (4)	$1,000	$2,000	Varies	As incurred	Various third parties
Printing Brochures, etc.	$1,000	$2,000	Varies	Before opening	3rd party suppliers
Recruiting	$1,000	$2,000	Varies	Before opening	Vendors
Computer System, Phone, Internet	$1,000	$2,000	Varies	Before opening	Vendors
Background checks	$1,000	$2,000	As arranged	As incurred	Vendors
Business filing, licenses,	$500	$1,000	Varies	As incurred	Government agencies
Liability Insurance	$3,000	$5,000	Varies	As incurred	Insurance Company

Type of Expenditure (1)	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Workers Comp Insurance (5)	$2,000	$4,000	Lump Sum	As incurred	State WC provider
Vehicle Lease	$300	$700	Monthly	Monthly	Bank/Car loan company
Additional Funds for three Months (1), (6)	$10,000	$15,000	Varies	Varied times	3rd party vendors, employees, etc.
TOTAL	$36,800	$57,700			

Notes to Estimated Initial Investment Table

[1] You must directly pay (or secure independent financing for) all estimated initial investment expenditures listed in this Item 7 table to begin operations of your One on One Caregiving franchise. Except the circumstance where the franchise fee is partially refundable (see Item 5 of this Franchise Disclosure Document), none of the other investment expenditures are refundable unless you make independent arrangements with sellers or suppliers about whether, and under what conditions, payments may be refundable. Some costs and expenses will vary due to a disparity of prices, availability, and other factors. The cost of each item can and should be independently checked by you within your local area. The figures provided in this table are estimates based on the experience of our officers working in the health care industry. Under Column 3, Method of Payment, we accept checks for payment of amounts due us. Check with the other vendors, suppliers, etc. for their acceptable methods of payment. These may include one or more of the following: cash, checks, wire deposits.

[2] Training Fee and Costs. We agree to train you and one other persons you appoint. You pay a one-time training fee for your initial education and training as well as on-site services in connection with opening your franchise. The training fee is payable in full when you sign the Franchise Agreement and is non- refundable under any circumstances. The amount of the training fee is based on the schedule below*.

Franchises 1 through 5	$10,000
Franchises 6 onward	$13,000

*The sliding scale for the training fee is also used as an incentive for the early franchisees who choose to join our team.

You are responsible for your expenses associated with travel to and accommodations during training at our training facility in Los Angeles, California.

[3] Office Set Up. If you set up a home office, which we recommend initially, you will minimize these costs and avoid costly real estate office leases.

[4] Insurance - Workers Comp . Workers Comp requirements vary somewhat by State; this estimate assumes a typical down payment and further assumes you will waive coverage for yourself.

[5] Additional Funds & Operating Capital. This estimates your operating expenses for three months and is based on our officer's experience in the senior care business. This is only an estimate, and we cannot guarantee you will not have additional expenses, such as personal and business expenses, that exceed our estimates. Revenues and costs can vary due to many factors. Some of these factors include your ability to operate per our recommended business methods, management and marketing skills, business acumen, aggregate demand, competition, prevailing field caregiver wages, location, rental paid, and other variables. Your franchise will need time to attain a reasonable sales volume, and to be ultra conservative we have not factored any sales income into the working capital amount. Because of this, working capital requirements will vary. The estimate shown in the table should be considered a minimum figure. It does NOT include any estimate for interest or other financing costs. It also does not include an estimate for royalty payments because these are impossible to estimate as of the date of this Franchise Disclosure Document. The estimate assumes you will hire and pay employees (not including yourself) on a need-only basis and does not include your salary. You should review all initial investment figures carefully with a competent financial business advisor before making any decision to purchase the franchise.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

To insure uniformity of service, quality and appearance as well as enhance public recognition and acceptance of our marks, you must purchase all supplies, products, services and materials relating to the establishment and operation of your franchise per our specifications and requirements.

Our specifications and requirements are contained in our confidential Manual, which is provided to you and may be updated periodically. Future supplements, improvements or changes to our business system may require you to add or eliminate previously authorized products or services.

You may purchase supplies, products, services and materials meeting our specifications and requirements from any approved supplier. A list of currently approved suppliers is contained in our Operations Manual. This list may be updated in the future. As of the date of this FDD, we are not an approved supplier for any items and we do not derive any revenue or other material consideration as a result of purchases made through approved suppliers.

Our criteria for approving suppliers are provided in our confidential Operations Manual. All suppliers must be approved by us in writing before you use them.

If you want to use a supplier or provide services (or products) not previously approved by us, you must first submit a written request for approval, which will not be unreasonably withheld. As a condition of approval, we require inspection of the supplier's facilities, or testing of requested products or services. It is your responsibility to deliver to us (or our designated testing facility) samples of requested products or services. To begin the evaluation-testing process, you are required to pay us a lump sum amount (based on our then-current hourly rate and estimated time). Other lump sum payments may be required to continue and complete this process. We will refund any credit balance due to you at the end of the process. We will advise you of our approval or disapproval within a reasonable time after receiving your request and conducting the evaluation and testing. A final determination is reached within approximately 15 business days after completing this process. We may revoke our approval of any supplier, product or service not meeting our standards and specifications.

Although not required to do so, as the franchise network grows, we may attempt to use volume purchasing arrangements with medical suppliers to enable you to purchase items at prices lower than you could obtain individually. In the event you decide to participate in any voluntary purchasing programs offered by us, we may derive revenue from the sale of these items. We do not provide material benefits or inducements to you based on your use of a designated or approved source and we do not currently have any purchasing or distribution cooperatives.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	2.01, Exhibit 1	6, 7, 11
b. Pre-opening purchase/leases	3.06	7, 8
c. Site development and other pre-opening requirements	3.03, 3.06	6, 7, 11
d. Initial and ongoing training	3.06, 4.01, 4.02	6, 7, 11, 15
e. Opening	3.03, 3.06	11

Obligation	Section in Franchise Agreement	Disclosure Document Item
f. Fees	2.02, 3.01, 3.02, 3.04 - 3.06, 3.08, 3.10 - 3.15, 4.02, 5.03, 6.01, 6.02, 7.11	5, 6, 7, 8, 11, 17
g. Compliance with standards and policies/ operating manuals	1.01, 1.02, 2.01, 3.06, 3.08, 3.09, 3.14, 3.15, 3.16, 5.02, 6.01 - 6.03	1, 6, 8, 11, 12, 14, 15, 16, 17
h. Trademarks and proprietary information	1.01, 1.02, 2.01, 2.02, 3.04, 3.06, 3.07-3.09, 5.02, 5.03, 7.01, 7.07	1, 6, 8, 13, 14, 17
i. Restrictions on products/services offered	1.02, 2.01, 3.04, 3.06-3.09	6, 8, 16
j. Warranty and customer service requirements	3.06	not applicable
k. Territorial development and sales quotas	3.06	1, 5, 11, 12, 17
l. Ongoing product/services purchases	3.04, 3.06, 3.08	6, 8, 11
m. Maintenance, appearance and remodeling requirements	1.02, 2.01, 3.06, 3.08	1, 6, 7, 8, 11, 17
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o. Advertising	3.04, 5.02, 5.03	7, 11, 17
p. Indemnification	3.12	6
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r. Records and reports	2.02, 3.04, 3.06 - 3.08, 3.13, 3.15, 3.16, 5.02, 6.01, 6.03, 6.04, 7.06	6, 7, 8, 9, 17
s. Inspections and audits	3.06, 3.15, 3.16	6, 8, 17
t. Transfer	6.01 - 6.06, 7.07	6, 17
u. Renewal	2.02	17
v. Post-termination obligations	5.03, 6.05	17
w. Non-competition covenants	3.06, 5.03	17
x. Dispute resolution	7.05, 7.07, 7.08, 7.09, 7.11	17
y. Other – System improvements	3.08	16

Notes to Table

[1] A dash "-" between sections, for example "3.04 - 3.06" means read all sections, including the beginning and ending section (in this example, reading sections 3.04, 3.05 and 3.06)

ITEM 10

FINANCING

We do not offer direct or indirect financing arrangements. We do not guarantee notes, leases or any other obligations you may incur. We do not receive any payments for placing or referring Franchisees to lending sources for financing.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

("§" refers to section(s) of the Franchise Agreement)

Pre-opening Assistance and Services

Before you open your business, we will:

1. Designated Territory. Grant and define your designated territory. See Item 12 below for discussion. §2.01, Exhibit 1

2. Insurance Advice. Answer questions you may have about procuring various insurance for business operations. §4.01

3. Prospective Client List. Provide a list of hospitals, nursing facilities and other potential referral sources in your territory, §4.01

4. Training Program. Train you and 1 other person at our training location in Los Angeles, California. Up to up to 56-hours of classroom and 22-hours of on-the-job training is provided, depending on your aptitude and background. §4.01 See detailed discussion of our training program below.

5. Confidential Operating Manual. Loan to you one complete copy our confidential Operations Manual containing, among other things, operating techniques, specifications, instructions and requirements about authorized suppliers, products, standards and operating procedures. The Operations Manual contains a list of approved suppliers. We do not directly supply, nor do we deliver or install any item. As of the date of this FDD, we are not an approved supplier of any item. See Item 8 above for further details. These manuals always remain our property and we may change any manual periodically to reflect changes in our business system. You must all information disseminated to you as confidential, regardless of the format. The master copy of our manual at our principal office is controlling in the event of a dispute about the contents of the manual. §3.06, § 4.01

6. Initial Forms. We will provide you with copies of reporting and other operating forms as detailed in the Manual. We will also give you marketing collateral material templates and a list of resources. § 4.01

7. Start-Up Activities. Provide, as part of the Operations Manual, a prioritized list of activities and steps for you to take to get your business ready to open. §4.01

Schedule for Opening; Site Details

We estimate the typical length of time between the signing of the Franchise Agreement and the opening of your franchise to be within 180 days. Factors affecting this time include time to comply with various licensure requirements, time to schedule, attend and successfully complete our training program, securing your location, hiring and training employees, etc. Unless we agree otherwise, you must commence business operations within 180 days of the date you sign the Franchise Agreement. §3.03

We do not select or approve sites and recommend you operate a home office initially. The franchise is granted for a single, specific location within a defined territory. §2.01

Assistance, Support and Services During Operations

During the operation of your franchise, We will:

1. Start Up Assistance. Assist you for a period of up to 3 days at your franchise, depending on your needs and aptitude, to aid in learning operations and to assist in establishing standard operating procedures. §4.02

2. Consultation. Provide continuing support by having representatives at our corporate office available to answer questions arising in the day-to-day operation of your business. §4.02

3. Franchisee Conventions. We may sponsor annual seminars for informative updates on new management and client techniques, industry trends and other topics of interest. Although there is no separate charge for these seminars, it is your responsibility to pay all travel, living and other expenses incurred by you in attending these seminars, as well as your share (the cost equally divided among all franchisees in attendance) of renting any conference room, etc. once our franchise network has 10 franchisees Attendance at conventions is mandatory. §4.02

4. Updating. We will provide periodic supplements and amendments to our confidential Operations Manual as well as other information of general interest to all members of the franchise network. §4.02

5. New Manager Training. Provide training (in accordance with our then-current New Manager Training Fee Schedule) if a new person becomes a manager at your franchise or you buy second or further franchises. §4.02

6. Advertising When implemented, we will supervise the development of advertising, promotional, public relations, direct mail and other programs part of a

Network Marketing Fund. §4.02 See more detailed discussion below under "Advertising Program for Franchise System."

7. Additional Consulting If you request additional help or assistance over and above what's already provided, we will provide additional support or on-site consulting services in accordance with our then-current consulting fee schedule. §4.02

8. Website Hosting; Updating. We will host and provide updates of the One on One Caregiving Services website on an as needed basis. §4.03

9. Protection of Marks. Take all steps reasonably necessary to preserve and protect the ownership and validity of our service mark, and to permit other franchisees to use these marks only in accordance with our standards and specifications. §4.03

Advertising Program for Franchise System

When implemented, we will supervise the development of advertising, promotional, public relations, internet presence, search engine optimization and other web-based programs that are part of a marketing fund. As of the date of this Franchise Disclosure Document, no marketing funds have been spent, so details on how funds were used are not available. When we reasonably decide to implement a local, regional or national marketing fund ("Fund"), you will be notified in writing if your franchise is required to participate. When the Fund is implemented, you must contribute up to 2% of your Gross Revenue - see Item 6. We do not contribute to the Fund ourselves, and have no obligation to spend any specific amount on advertising in the area or territory where you operate your franchise. We do have direct responsibility for administration of the Fund and use payments to direct, supervise and develop advertising and marketing programs. The franchise agreement and Operations Manual are currently the only governing documents of the Fund and these documents are given to all franchisees. An unaudited accounting of the operation of the Fund, when implemented, will be prepared annually and made available to any requesting franchisee. We have the sole right and discretion to change, dissolve or merge one or more Funds. If surplus money is in a Fund at the end of the reporting period, this surplus will be credited towards future Fund marketing efforts. No sums paid into the Fund can be used to defray any of our general operating expenses, except for reasonable administrative costs and overhead we may incur in activities reasonably related to the administration or direction of the Fund. Media coverage (with the exception of the world wide web) is currently local in scope, expanding to regional and national coverage on the web as events permit. The source of advertising will be a combination of in-house advertising prepared by us and outside advertising agencies. We have no obligation to spend any amount on advertising in your area or territory, and we can use any media we select in administering the network marketing fund. Currently, there is no advertising council composed of franchisees who advise us on advertising policies. In terms of your general advertising, any media may be used and we permit you to use your own local advertising as long as it meets our written standards and requirements, and was previously approved by us. §3.04, §4.02 See also Items 6, 8 and 9 above.

<u>Computer & POS System</u>

Before opening you must purchase (if you do not already own) two Windows-based PC laptops that are relatively current and have access to a high bandwith connection and secure access.

Your computer system should have installed the current versions of either Internet Explorer, Firefox or Safari. It should also have the following third-party software that may come bundled with your computer:

Microsoft Office suite: (includes by MS Word, Excel, Outlook) for word processing, spreadsheets and email communications

QuickBooks or QuickBooks Pro for accounting.

Scheduling Software (from ADLware) – upon admission of first patient.

The cost for purchasing these (if you do not already own them) is listed in Item 7. See §3.15

At this time, we do not have direct access to your computer or an ability to acess data on sales and other information maintained by your system, but we reserve this right. Also, we have the right to inspect any aspect of your business, including information and data on your computer whenever we want. There is no limit on our right to access this information. See §3.15

We have the right to inspect your books, records, data and financial statements, which would include accessing the software programs used to compile this information. There is no contractual limit on our right to access this information. §3.15

Updating Requirements for Computer System

As do all computer owners, you must pay all costs incurred to repair broken components or non-functioning software and to upgrade your system with new software or hardware. We may require you to upgrade or update your computer system during the term of the franchise, especially if you are running outdated versions of software, operating systems or browsers, or we develop an approved vendor for point-of-care medical records (web based software).

There is not limit on how often we can ask you to do this. If we feel there are significant updating or upgrading requirements, these will be specified in our Operations Manual and you will be notified and required to follow these. There is no contractual limit on the frequency or cost of this updating process, but with standard third party software (like MS Word, QuickBooks Pro, etc.) it is usually a nominal expense, probably less than $500 to $1,000 per year. Unless you make independent arrangements directly with hardware and software providers they typically have no ongoing maintenance or repair responsibilities. §3.15

Table of Contents of Operations Manuals

Chapters	Number of Pages*
1. Introduction	2
2. Pre Operating Requirements	20
3. Organizational Guidelines	10
4 Management and Administration	19
5. Staff Recruitment and Retention	26
6. Marketing Modules	21
7. Scheduling	13
8. Financial Management and Accounting	20
9. Geriatric care Planning (optional)	9
10. Appendices	130
Total Pages	270

Initial Training Program

Subject	Hours of Classroom Training	Hours Of On-The-Job Training	Location
Pre-opening	1-2	0	LosAngeles, CA
Organizational guidelines	1-2	0	Los Angeles, CA
Management-Administration	3-4	0	Los Angeles, CA
Staff recruitment - retention	3-4	0	Los Angeles, CA
Scheduling	2-4	0	Los Angeles, CA
Financial Management	3 to 4	0	Los Angeles, CA
Accounting	5-6	0	Los Angeles, CA
Marketing	5 to 6	0	Los Angeles, CA
Exam & Graduation	1 to 2		Los Angeles, CA
Total Training Time	24-34 hrs	0	

Other Training Program Information

(A) Training programs are for new franchisees and are scheduled throughout the year. Training takes place at our training location in Los Angeles, California. The allocation of hours of on-the-job training is only an approximation and depends on your background and skills as well as proficiency in various subject areas.

(B) Instructional materials include a course curriculum and excerpts from our confidential Operations Manual. In training, we use the services and draw upon the expertise of Mariane Mil F. Sanchez and Anthony N. Fernandez who have approximately 6 years of on-the-job experience in the home care business. Ms. Sanchez has been also working for us since February of 2012.

(C) All travel and living expenses while attending the training program are your responsibility.

(D) Training is mandatory for all franchisees and you must satisfactorily complete all segments of training to our satisfaction before starting business operations. We will train you and one additional persons. Determination of whether you satisfactorily complete training rests solely with us. §3.01

The training program is given so you complete it about 30 days before the intended opening of your business. As stated above in this Item 11, unless we agree otherwise, you must commence business operations within 180 days of the date you sign the Franchise Agreement.

(E) Attendance at additional training programs is required if you hire a manager and do not adquately train this person. §3.06 You are responsible for all travel, living, etc. expenses you incur attending conventions/seminars. §4.02

ITEM 12

TERRITORY

You are given an area defined by street boundaries, highways, counties, political subdivisions or other means on a map with an estimated minimum of 20,000 people over 65 based on U.S. Census data. This mapped area is called your "Designated Territory" or "Territory" in the franchise agreement. The Territory is specified and attached as Exhibit 1 before you sign the franchise agreement. Once the signing takes place, you are responsible for determining and selecting the exact location of your franchise within this area. As mentioned in Item 11, we do not select or approve sites. There are no options, rights of first refusal or similar rights to acquire additional franchises within your Territory or contiguous areas.

You are granted the exclusive right to operate your franchise from a single specific location in your Territory. Any relocation within the Territory would require our prior written approval, which is given within about a week. Except as described below, will not ourselves operate (including other channels of distribution) or license others to operate, a similar or competitive business under our service mark within your Territory. You are only authorized to use our service mark in your Territory and nowhere else.

Minimum Performance Standards

If any event happens that gives us the right to terminate your franchise agreement (see Item 17 of this Franchise Disclosure Document), we may (whether or not we exercise our right of termination) ourselves operate, or grant another franchisee the right to operate, a One on One Caregiving franchise in your Territory.

The franchise agreement requires you to market your business and Territory to its fullest potential, avoiding excessive customer complaints, negative reviews, satisfactory scores on quality and client satisfaction surveys, etc. If you breach these provisions, we may (whether or not we exercise any right of termination) ourselves operate, or grant another franchisee the right to operate, a franchise in your Territory.

Actions we take in this regard do not affect any other rights and obligations you (or we) have under the franchise agreement, unless we properly exercise a right of termination. For duties and rights on termination of the franchise agreement, see Item 17 of this franchise disclosure document. We also reserve the right to advertise our services in other channels of distribution (such as via the worldwide web, etc.) anywhere under our service mark as we believe this builds overall brand recognition.

No Franchises Of Similar Businesses Under Different Marks

We have not established, nor do we have any presently formulated plans or policies to establish, other franchises or company-owned outlets or use another channel of distribution selling similar services or products under a different service mark. The Franchise Agreement does not address this topic, one way or the other. Our Affiliate, Good Shepherd Home Care Services, owns and operates a business providing non-medical in home care services at 208 E Carson Street Ste 203, Carson, California. Our Affiliate has no plans to franchise. As discussed in Item 1, our Affiliate's business model was used as a prototype to develop our franchise program.

ITEM 13

TRADEMARKS

During the term of the Franchise Agreement, we grant you a license to use the service mark as reproduced on the cover page of this Franchise Disclosure Document (referred to in this Item as "Mark"). Your continuing ability to use the Mark depends on following all applicable standards, specifications and operating procedures as set forth in our Franchise Agreement and our confidential Operations Manual. We have a registration for the service marks listed below in interstate commerce with the United States Patent and Trademark Office as follows:

Mark	Registration Date	Registration Number	Register
One on One Caregiving Services	July 9, 2013	4366163	Principal

No affidavits of use or other filings are due at this time.

There are no determinations of the U.S. Patent & Trademark Office, the trademark trial and appeal board, administrator of this state or of any court, nor any pending infringement, opposition or cancellation proceeding or any material litigation involving the Mark.

You must notify us if you discover any unauthorized use of the Mark (or a colorable imitation of them), or if litigation involving the Mark is started or threatened. Although the franchise agreement requires us to take all steps reasonably necessary to preserve and protect the ownership and validity of the Mark, we are not specifically obligated to protect any rights you have to use the Mark or to participate in your defense or protect or indemnify you for expenses or damages against claims of infringement or unfair competition. We have the right to control any litigation or administrative proceeding involving the Mark. You have no specific rights under the Franchise Agreement if we require you to modify or discontinue use of the Mark.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Mark in this state.

ITEM 14

PATENTS, COPYRIGHTS & PROPRIETARY INFORMATION

Patents

No patents are material to the franchise.

Copyrights

We do not own rights in issued copyrights material to the franchise. We do claim unpublished copyright protection and trade secret protection (discussed below) for our confidential Operations Manual. Since we are claiming unpublished copyright protection, we do not have any copyrights pending or registered with the Copyrights Office (Library of Congress) nor do we intend to file any copyright applications.

Proprietary Trade Secrets

The franchise agreement describes, and our Operations Manual contains, proprietary and trade secret know-how developed by us and licensed to you. This proprietary information is referred to below as our "System." Under the terms of the franchise agreement: (i) you do not acquire any interest in our System, other than the right to use it in the operation of your franchise during the term of your agreement; (ii) you agree not to use our System in any business or capacity other than the development and operation of your franchise; (iii) you agree to treat the Operations Manual, including updates, in confidence as trade secrets; (iv) you agree not to make any unauthorized copies of any Manual or any other confidential information supplied by us; (v) you agree that we may revise the contents of any Manual and you will comply with each new or changed provision; and (vi) you agree to take specific steps to maintain the confidentiality of our System during and after the term of your franchise, including having your employees sign a written confidentiality agreement.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Unless we agree otherwise in writing, you must personally participate (on a full time basis) in the direct operation of the franchise business. This is required under the terms of your franchise agreement, and we definitely recommend it as well.

Any manager(s) hired by you must first be approved by us (and adequately trained by you. If they are not, they must successfully complete our manager training program - see Item 6 above under "New Manager Training." Alternatively, you can ask us to train your manager. If you (with our approval) train the manager, then only abbreviated training by us is necessary and a lesser fee applies. If we must assume all training responsibilities, then the full manager training fee applies. See also Item 11 above under "Optional Manager Training." We also require that any manager employed by you enter into a written confidentiality agreement. See Item 14 above. Your franchise agreement may be assigned to an entity (corporation or partnership) that you control. We do not require that your manager(s) have an ownership interest in your franchise.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must (1) offer and sell only those non-medical and non-skilled senior care services (and related products), that we have approved for sale in writing; (2) offer and sell all types of senior services we specify; (3) refrain from any deviation from our standards and specifications without our prior written consent; and (4) discontinue offering and selling any senior care services which we may, in our discretion, disapprove in writing at any time. There are no contractual limits on our right to make changes or improvements to the products and services offered as part of our system, and we reserve the right to change all or any of these. All senior care services must meet our then-current standards and specifications, as specified in our Manual or otherwise in writing. See also Items 8 and 9.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

Item 17: Table

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary (1)
a. Length of the franchise term	2.03(a)	10 years from the date of signing.
b. Renewal or extension of the term	2.03(b)	If you are in good standing you can exercise successive terms of 10 years each.
c. Requirements for franchisee to renew or extend	2.03(b)	In good standing, provide notice, pay $1 renewal fee etc. At our option, we may require you to sign then-current agreement that that waives the initial franchise fee but may contain materially different terms and conditions. See franchise agreement for details.
d. Termination by franchisee	5.01	Only if we default and do not remedy within 30 days of written

		notice.
e. Termination by franchisor without cause	None	Not applicable; we cannot terminate you without cause.
f. Termination by franchisor with cause	5.02	Subject to "g" and "h" only if you default and fail to remedy the default.
g. "Cause" defined – curable defaults	5.02	Subject to "h" below, you have 30 days (only 5 days in the case of late fees) to cure all defaults after notice from us.
h. "Cause" defined – non-curable defaults	5.02	Non-curable defaults: criminal conviction, etc. See 5.02 (a) through (h).
i. Franchisee's obligations on termination/non-renewal	5.03	Obligations include payment of amounts due and return of all Confidential Information, trade secrets and records, giving us purchase rights, follow non-disclosure and non-compete obligations, etc. See also "r" below.
j. Assignment of contract by franchisor	6.06	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	6.01 to 6.05	Includes transfer of contract or assets or ownership changes (including death and permanent disability).
l. Franchisor approval of transfer by franchisee	6.01	We have the right to approve all transfers which will not be unreasonably withheld as long as certain conditions are satisfied. See "m" below.
m. Conditions for franchisor approval of transfer	6.01 and 6.03	New franchisee qualifies, transfer fee paid, purchase agreement approved, new person signs franchise contract and successfully completes training, you sign a release, etc.
n. Franchisor's right of first refusal to acquire franchisee's business	6.03	We have 30 days to match any offer for your business; for transfers of more than 50% interest, we have a right to buy 100% interest.
o. Franchisor's option to purchase franchisee's business	5.03, 6.02	We may, but are not required to, purchase your assets and intellectual property, assume your real estate lease, etc., if your franchise is terminated for cause or you do not renew.
p. Death or disability of franchisee	6.02	Your interest must be transferred to an approved party within a reasonable time, not to exceed 120 days. We have the right to manage during interim period if

		business is not run properly.
q. Non-competition covenants during the term of the franchise	3.06	No involvement in any competing business.
r. Non-competition covenants after the franchise is terminated or expires	5.03	No involvement in any competitive business for two years within 10 miles of your Territory (same restrictions apply after a transfer).
s. Modification of the agreement	7.02, 3.06	Any modification of Franchise Agreement must be in writing and signed by both parties. Changes to our Operations Manual can be made by us and do not change your status or rights under the Franchise Agreement.
t. Integration/merger clause	7.02	Contract contains the entire understanding of the parties. Other promises, etc. are not enforceable unless in writing and signed by both parties. Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	7.05, 7.08	Except for certain claims, all disputes are settled by mediation and/or binding arbitration in our home state and city (currently Carson, CA). Claims must be made within 1 year from occurrence or 90 days from discovery of facts. Claims arising under a termination by us must be made within 30 days of the termination date. Both we and you waive rights to collect punitive damages.
v. Choice of forum	7.05	Arbitration by AAA in our home state and arbitration closest to our principal business address which is currently in Carson, CA.
w. Choice of law	7.07	The law of our home state (currently California) applies, except as provided in a State Specific Addendum. For service mark issues, federal law may apply.

[1] FA means Franchise Agreement.

[2] This column is a summary only. Read entire section(s) of Franchise Agreement for a complete understanding. Letter references in this column (like see "m." below) mean one of the "a" through "w" provisions in the first column.

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 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 our management by contacting Anthony N. Fernandez at (800) 980-9394 and email to info@oneononecare.us, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS & FRANCHISEE INFORMATION

Item 20 Table No. 1 System-wide Outlet Summary For years 2014 to 2016

Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	2014	0	0	0
	2015	0	0	0
	2016	0	3	+3
Company-Owned (1)	2014	1	1	0
	2015	1	1	0

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2016	1	1	0
Total Outlets	2014	1	1	0
	2015	1	1	0
	2016	1	4	+3

[1] Because we are a franchise corporation, we have not directly operated a company-owned location. Since 2006, our Affiliate, Good Shepherd Home Care Services, has operated (and continues to operate) a non-medical in home care service business in Carson, California similar to the type of franchise we offer. All references to "Company Owned" in this Item 20 refer to the business owned and operated by our Affiliate.

Item 20 Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2014 to 2016

State	Year	Number of Transfers
All States	2014	0
	2015	0
	2016	0
Totals	2014	0
	2015	0
	2016	0

Item 20 Table No. 3
Status of Franchised Outlets
For years 2014 to 2016

State	Year	Outlets at Start of the Year	Outlets Added	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
All States	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	3	0	0	0	0	3
Total	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	3	0	0	0	0	3

Item 20 Table No. 4
Status of Company-Owned Outlets
For years 2014 to 2016

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
All States CA only	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
Total Outlets	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1

Item 20 Table No. 5
Projected Openings As Of December 31, 2016

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
CA	0	1	0
Total	0	1	0

The name of each of our franchisees and the address and telephone number of each of their outlets as of the date of this Franchise Disclosure Document is set forth in **Exhibit C**. Upon your request, we will make available to you information concerning the length of time our franchisees have been in the franchise system and contact information.

The name and last known home address and telephone number of every franchisee who has had a Franchise Agreement terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement since our formation or who has not communicated with us within 10 weeks of the date of this Franchise Disclosure Document is listed on **Exhibit C** to this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no signed confidentiality agreements restricting the ability of our franchisees to speak openly about their franchise ownership experience.

There are no trademark specific franchisee organization associated with this franchise system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as **Exhibit A** are audited financial statements for the periods ending December 31, 2014, December 31, 2015, and December 31, 2016.

ITEM 22

CONTRACT

Attached to this Franchise Disclosure Document as **Exhibit B** is one copy of the Franchise Agreement.

ITEM 23

RECEIPTS

THE LAST TWO PAGES OF THE FRANCHISE DISCLOSURE DOCUMENT (FOLLOWING THE EXHIBITS AND ATTACHMENTS) ARE RECEIPT PAGES ACKNOWLEDGING YOUR RECEIPT OF THE FRANCHISE DISCLOSURE DOCUMENT. ONE COPY IS FOR YOUR RECORDS, AND ONE COPY MUST BE SIGNED AND DATED BY YOU AND RETURNED TO US.

EXHIBIT A

FINANCIAL STATEMENTS

ONE ON ONE CAREGIVING SERVICES

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2016 & DECEMBER 31, 2015

ONE ON ONE CAREGIVING SERVICES

Table of Contents
December 31, 2016

Danny B. Reyes
Certified Public Accountant
4364 ½ Eagle Rock Blvd., Los Angeles, CA 90041
Tel. No. (323) 258.4862 Fax No. (323) 258.5363
E-mail: DannyReyesCPA@AOL.COM
Website: DannyReyesCPA.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
One on One Caregiving Services
Downey, California

Report on the Financial Statements

I have audited the accompanying comparative financial statements of One on One Caregiving Services which comprise the balance sheets as of December 31, 2016 and December 31, 2015, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One on One Caregiving Services as of December 31, 2016, and December 31, 2015, 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.

Danny B. Reyes, CPA
March 15, 2017

ONE ON ONE CAREGIVING SERVICES
(A Developmental Stage Company)
BALANCE SHEET
DECEMBER 31, 2016 AND DECEMBER 31, 2015

	12/31/2016	12/31/15
ASSETS		
Current Assets		
Cash in bank	$ 65	$ 147
Advances to Officers	31,415	14,314
Total Current Assets	31,480	14,461
TOTAL ASSETS	$ 31,480	$ 14,461
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued State Income Tax	$ 800	$ 800
Common Stock	15,907	15,907
Retained Earnings (deficit)	14,773	(2,246)
TOTAL LIABILITIES AND NET ASSETS	$ 31,480	$ 14,461

See Accompanying Notes to Financial Statements.

ONE ON ONE CAREGIVING SERVICES
(A Developmental Stage Company)
STATEMENT OF INCOME AND RETAINED EARNINGS (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2016 & DECEMBER 31, 2015

	12/31/16	12/31/15
Income	$ 38,832	$ -
Expenses		
Advertising and promotion	3,674	
Automobile expenses	300	
Dues & subscriptions	368	
Donations	150	
Business licenses & permits	615	
Meals & entertainment	371	
Office supplies	731	
Penalties & interests		116
Professional fees	13,185	350
Bank charges	370	176
Rent	1,026	
Utilities	119	
Total expenses	20,909	642
Income (loss) for the period before income tax	17,923	(642)
State corporate tax	904	800
Net income (loss) for the period	17,019	(1,442)
Retained earnings (deficit), Beginning of Year	(2,246)	(804)
Retained earning (deficit), End of Year	$ 14,773	$ (2,246)

See Accompanying Notes to Financial Statements

ONE ON ONE CAREGIVING SERVICES
(A Developmental Stage Company)
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 & DECEMBER 31, 2015

	12/31/2016	12/31/2015
Cash flows from operating activities		
Net income (loss) for the period	$ 17,019	$ (1,442)
Advances to officer	(17,101)	600
Cash flows from financing activities	-	
Cash flows from investing activities	-	
Net increase (decrease) in cash	(82)	(842)
Cash balance - Beginning of Year	147	989
Cash balance - End of Year	$ 65	$ 147

See Accompanying Notes to Financial Statements.

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
Notes to Financial Statements
December 31, 2016 & December 31, 2015

NOTE 1 - BUSINESS ACTIVITY AND NATURE OF BUSINESS

The Company, a California corporation, is a care giving services franchisor. It has its principal office in Downey, California. The Company markets and sells master franchises for non-medical in-home care throughout California.

The Company was incorporated in the States of California on February 17, 2012. Of the 100,000 shares of no-par value common stock authorized. 1,000 shares are issued, outstanding and held by Mr. Edward N. Fernandez, its president.

The Company has developed and has the right "to license a method and system for the development and operation of a senior care business comprised of distinctive business formats, systems, methods, procedures, designs, layouts and specifications."

It is registered with the State of California, Department of Business Oversight and has been granted an authorization to offer and sell franchises in its registration filed on December 1, 2014. This registration to offer and sell franchises is renewed every year. Its current registration will terminate on April 20, 2017, unless extended by the Business Oversight Board.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of One on One Caregiving Services (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles followed in the United States of America and have been consistently applied in the preparation of the financial statements.

Date of Management Review

Management has evaluated subsequent events through March 15, 2017, the date on which the financial statements were available to be issued.

Basis of Accounting

The Company maintains its records and prepares its financial statements on the accrual basis of accounting in accordance with generally accounting principles.

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of reporting cash flows, the Company considers all highly liquid, short-term investments with a maturity of three months or less to be cash equivalents.

Advertising Costs

The Company expenses advertising costs as incurred.

Accounts Receivable

Generally accepted accounting principles require accounts receivable to be presented net of an allowance for doubtful accounts. There were no receivable balances for both years, except advances made to officers. These advances are collectible at the discretion of management and does not bear any interest.

Franchise Fee Revenue

Franchise fee revenue includes a required initial fee of $15,000. The initial franchise fee is non-refundable, and is due at the time of purchase. The initial franchise fee entitles the franchisee to the exclusive use of franchise documentation and business processes. Also included in the initial fee is training on business operations, the non-medical in-home services offered, and protocols used.

NOTE 3 - RELATED PARTIES

The Company's lone shareholder also owns 100% of the common stock of Good Shepherd Home Care Services, a related corporation that operates as non-medical in-home care company.

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
Notes to Financial Statements
December 31, 2016 and December 31, 2015

The Company offers opportunities to purchase franchise licenses modeling the operations of Good Shepherd Home Care Services.

ONE ON ONE CAREGIVING SERVICES

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2015 & DECEMBER 31, 2014

ONE ON ONE CAREGIVING SERVICES

Table of Contents
December 31, 2015 & December 31, 2014

Danny B. Reyes
Certified Public Accountant
4364 ½ Eagle Rock Blvd., Los Angeles, CA 90041
Tel. No. (323) 258.4862 Fax No. (323) 258.5363
E-mail: DannyReyesCPA@AOL.COM
Website: DannyReyesCPA.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
One on One Caregiving Services
Downey, California

Report on the Financial Statements

We have audited the accompanying comparative financial statements of One on One Caregiving Services which comprise the balance sheets as of December 31, 2015 and December 31, 2014, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One on One Caregiving Services as of December 31, 2015, and December 31, 2014, 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.

Danny B. Reyes, CPA
March 15, 2016

ONE ON ONE CAREGIVING SEERVICES
(A Franchising Company)
BALANCE SHEETS
DECEMBER 31, 2015 AND DECEMBER 31, 2014

	12/31/2015	12/31/14
ASSETS		
Current Assets		
Cash in bank	$ 147	$ 989
Advances to Officer	14,314	14,914
Total Current Assets	14,461	15,903
TOTAL ASSETS	$ 14,461	$ 15,903
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued State Income Tax	$ 800	$ 800
Common Stock	15,907	15,907
Retained Earnings (deficit)	(2,246)	(804)
TOTAL LIABILITIES AND NET ASSETS	$ 14,461	$ 15,903

See accompanying Notes to financial statements

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
STATEMENT OF INCOME AND RETAINED EARNINGS (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2015 & DECEMBER 31, 2014

	2015	2014
Income	$ -	$ 15,000
Expenses		
Advertising and promotion		250
Professional fees	350	4,975
Bank charges	176	179
Dues and subscriptions		206
Trademark fees		675
Franchising fees		6,250
State fees		170
Penalties and interests	116	
Miscellaneous expenses		91
Total expenses	642	12,796
Income (loss) for the period, before income tax	(642)	2,204
Income tax	(800)	(800)
Net income (loss)	(1,442)	1,404
Retained earnings (deficit), Beginning of Year	(804)	(2,208)
Retained earnings (deficit), End of Year	$ (2,246)	$ (804)

See accompanying notes to financial statements

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 & DECEMBER 31, 2014

	2015	2014
Cash flows from operating activities		
Net income (loss) for the period	$ (1,442)	$ 1,404
Increase in advances to officer	600	(414)
Cash flows from financing activities	-	
Cash flows from investing activities		
Capital	-	
Net increase (decrease) in cash	(842)	990
Cash balance - Beginning of Year	989	(1)
Cash balance - End of Year	$ 147	$ 989

See accompanying notes to financial statements

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
Notes to Financial Statements
December 31, 2015 & December 31, 2014

NOTE 1 - BUSINESS ACTIVITY AND NATURE OF BUSINESS

The Company, a California corporation, is a care giving services franchisor. It has its principal office in Downey, California. The Company markets and sells master franchises for non-medical in-home care throughout California.

The Company was incorporated in the States of California on February 17, 2012. Of the 100,000 shares of no-par value common stock authorized, 1,000 shares are issued, outstanding and held by Mr. Edward N. Fernandez, its president.

It is registered with the State of California, Department of Business Oversight and has been granted an authorization to offer and sell in its registration filed on December 1, 2014. This registration to offer and sell franchises will terminate on April 20, 2016, unless extended by the Business Oversight Board.

The Company has developed and has the right "to license a method and system for the development and operation of a senior care business comprised of distinctive business formats, systems, methods, procedures, designs, layouts and specifications."

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of One on One Caregiving Services (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Date of Management Review

Management has evaluated subsequent events through March 15, 2016, the date on which the financial statements were available to be issued.

Basis of Accounting

The Company maintains its records and prepares its financial statements on the accrual basis of accounting in accordance with generally accounting principles.

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
Notes to Financial Statements
December 31, 2015 and December 31, 2014

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of reporting cash flows, the Company considers all highly liquid, short-term investments with a maturity of three months or less to be cash equivalents.

Advertising Costs

The Company expenses advertising costs as incurred.

Accounts Receivable

Generally accepted accounting principles require accounts receivable to be presented net of an allowance for doubtful accounts. There were no receivable balances for both years, except advances made to an officer. These advances are collectible at the discretion of management and does not bear any interest..

Franchise Fee Revenue

Franchise fee revenue includes a required initial fee of $15,000. The initial franchise fee is non-refundable, and is due at the time of purchase. The initial franchise fee entitles the franchisee to the exclusive use of franchise documentation and business processes. Also included in the initial fee is training on business operations, the non-medical in-home services offered, and protocols used.

NOTE 3 - RELATED PARTIES

The Company's lone shareholder also owns 100% of the common stock of Good Shepherd Home Care Services, a related corporation that operates as non-medical in-home care company.

ONE ON ONE CAREGIVING SERVICES
(A Franchising Company)
Notes to Financial Statements
December 31, 2015 and December 31, 2014

The Company will be offering opportunities to purchase franchise licenses modeling the operations of Good Shepherd Home Care Services.

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EXHIBIT B

FRANCHISE AGREEMENT

One on One Caregiving Services

ONE ON ONE CAREGIVING SERVICES

FRANCHISE AGREEMENT

THIS AGREEMENT between One on One Caregiving Services, a California Corporation, hereinafter referred to as "Franchisor", and ____________________________ hereinafter referred to as "Franchisee", is made on the basis of the following understandings and recitals and in consideration of the following promises, and the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1. RECITALS

1.1 <u>The One on One Caregiving Services Business System.</u>

As the result of the expenditure of time, effort and money in research and development, Franchisor is developing and has the right to license a method and system (hereinafter referred to as the "One on One Caregiving Services System" or "System") for the development and operation of a senior care business comprised of distinctive business formats, systems, methods, procedures, designs, layouts and specifications (which business is herein referred to as an "One on One Caregiving Services Business" or "Business"). Franchisor is in the process of developing a network (hereinafter referred to as the "One on One Caregiving Services Network" or "Network") of franchises to use the System on a mutually cooperative and interrelated basis.

1.2 <u>Proprietary Marks.</u>

Franchisor grants franchises to be operated under its System and proprietary service mark "One on One Caregiving Services," and any distinctive logos or typefaces developed by Franchisor (herein collectively referred to as the "Marks"). Franchisor continues to develop, use and control the Marks so that consumer recognition thereof will continue, and Franchisee agrees to represent the System's high standards of service, quality and appearance.

1.3 <u>Operating Standards.</u>

Franchisee acknowledges reading this Agreement and Franchisor's Franchise Disclosure Document and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonable and necessary to maintain Franchisor's high standards of service, quality and appearance, as well as the consistency of these standards by all franchises within the Network, in order to protect and preserve the goodwill of the Marks. Franchisee therefore agrees to operate the Business as an integral part of the Franchisor's Network and System as they may be changed, approved and developed from time to time, and in this operation adhere to the uniform standards, procedures and policies set forth below.

1.4 Franchisee Desires A License.

Franchisee desires to establish a Business under the System, within the territory hereinafter set forth, and to use in connection therewith the Franchisor's Marks and System, and provide the in-home senior care services and products authorized for the Business, as an integral part of the Franchisor's Network, and to derive the benefits of Franchisor's reputation, advice, experience, guidance and know-how.

1.5 Granting of Franchises.

Franchisor grants to franchisees, for considerations, the right to conduct a business utilizing the Franchisor's System, as part of the Franchisor's Network, offering senior care services, products and related supplies approved by Franchisor, and utilizing its formats, methods, specifications, standards, operating procedures, guidance and Marks.

1.6 Investigation of Franchise.

Franchisee acknowledges having investigated Franchisor and the competitive market thereof and recognizes that the business contemplated by this Agreement involves business risks which make the success of the venture subject to many variables, including, but not limited to, the business abilities, skills and efforts of Franchisee.

1.7 No Earnings Claims; No Misrepresentations.

Franchisor expressly disclaims the making of, and Franchisee acknowledges not having received or relied upon any warranty or guaranty, express or implied, oral or written, regarding the potential sales, profits or success of the business contemplated by this Agreement. Franchisee further acknowledges not having received any representation by Franchisor or its officers, employees or agents that is contrary to the information contained in Franchisor's Franchise Disclosure Document or the terms herein, and further represents to Franchisor, as an inducement to its entry into this Agreement, that Franchisee has made no misrepresentations in obtaining this franchise.

1.8 Receipt of Circular; Contract.

Franchisee acknowledges having reviewed the Franchisor's Franchise Disclosure Document and all Exhibits attached thereto for at least fourteen (14) calendar days prior to the signing of any contract with Franchisor or the payment of any money or other consideration relating to the franchise herein. Franchisee further acknowledges that the terms of this franchise agreement are not materially different from the terms of the franchise agreement attached as Exhibit B to the Franchise Disclosure Document.

ARTICLE 2. GRANT OF FRANCHISE

2.1 Grant of Franchise; Exclusive Area

(a) Grant of Franchise. Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee undertakes the obligation to establish and operate a senior care Business under the System and the Marks as Franchisor directs, and to use the Marks in connection with the various senior care services, products and related supplies utilized in the operation of the Business from a single location (herein referred to as the "Premises") which is located within the area described in Exhibit 1 attached hereto and made a part hereof.

(b) Exclusive Area; Loss of Rights. Subject to the following exceptions, Franchisor will not, while this Agreement is in effect, operate, nor will it grant others a license to operate a Business under its System at any location within the specific area (herein referred to as the "Designated Territory" or "Territory") as set forth in Exhibit 1 to this Agreement. Notwithstanding the above, upon the occurrence of any of the following, Franchisor may itself operate, or grant a license to another franchisee to operate a Business within the Territory:

(i) Right To Terminate. If Franchisor has the right to terminate this Agreement, as provided in Article 5 below, or if Franchisee fails to market the Territory and Business to its fullest potential in accordance with Section 3.06(g), We may (whether or not Franchisor elects to terminate Franchisee) operate or grant to another franchisee or franchisees the right to operate a Business under the System and Marks at another location within the Territory, and this action shall not affect any other rights and obligations hereunder unless and until Franchisor exercises its right of termination as provided in Article 5

2.2 Further Rights & Privileges.

Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor further grants to Franchisee the following rights and privileges:

(a) Marks. Use of the Marks as Franchisor directs, but only within the Territory and only in connection with authorized senior care services, products and supplies;

(b) System. Use of the Franchisor's System, which term as herein used refers to the System as presently existing and as it may be developed, changed and improved during the term of this Agreement, in marketing and providing approved senior care services, related products and generally in conducting and operating the Business;

2.3 Term and Renewal

(a) Term. This Agreement and the appointment of Franchisee hereunder shall commence on the date this Agreement is executed and, unless previously terminated as herein provided, shall expire on the 10th. anniversary of the date on which this Agreement was executed.

(b) Renewal Options. The term of this Agreement and the appointment hereunder may be extended for additional terms of ten years each, exercisable by written notice from Franchisee to Franchisor, within 180 days prior to the expiration of the initial term (or renewal term); provided that at the end of the initial term (or renewal term):

(i) Franchisee is not at the time of the exercise or at the commencement of the extension term, in default of the performance of any of Franchisee's obligations hereunder; and

(ii) All monetary obligations owned by Franchisee to Franchisor have been fully satisfied prior to the commencement of the extension term; and

(iii) At the option of Franchisor, Franchisee shall execute Franchisor's then-current form of Franchise Agreement which shall waive any initial franchise fee and provide for the same royalty and other fees required by this Agreement; and

(iv) At Franchisor's option, except to the extent limited by applicable law, Franchisee signs a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, and its officers, directors, agents, affiliates and employees, arising out of or relating to this Agreement; and

(v) Franchisee pays to Franchisor the sum of one dollar ($1) as a renewal fee.

ARTICLE 3. FRANCHISEE'S OBLIGATIONS & DUTIES

3.1 Initial Fees

(a) Initial Franchise Fee. In consideration of the grant of franchise, and of the rights and privileges relating thereto, herein above made, Franchisee shall pay to Franchisor a franchise fee payable upon the signing of this Agreement in the amount of ______________________________________ Dollars ($_________). This fee shall be paid solely for the grant of franchise rights and privileges, shall be fully earned upon execution of this Agreement, and shall be in addition to all other fees, royalties, costs and other expenditures of any kind required of Franchisee under the terms hereof, or any sums otherwise becoming due from Franchisee for any reason. The franchise fee, except as provided in subparagraph (c) below, is not refundable under any circumstances.

(b) Training Fee. In consideration of the training services provided by Franchisor as specified in Section 4.01 (a), Franchisee shall also pay to Franchisor upon the signing of this Agreement the sum of______________________________________Dollars ($_______). The training fee is not refundable under any circumstances.

(c) Failure to Complete Training. In the event Franchisee (or a trainee of Franchisee) is unable to complete each segment of the training program specified in Section 4.01 (a) to the satisfaction of Franchisor, as determined by objective and subjective criteria, one hundred percent (100%) of the franchise fee is refundable. Franchisee agrees and acknowledges that Franchisor shall have sole discretion in determining whether Franchisee has satisfactorily completed the training program and Franchisee expressly waives any right to institute any action or seek any relief to reverse or set aside the decision made by Franchisor. Upon transmittal of the refund pursuant to this paragraph (c) this Agreement shall be deemed terminated and Franchisee agrees to abide by all provision of Section 5.03 hereof.

3.2 Royalties.

(a) Amount and Payment Schedule. In further consideration of the grant of franchise and related rights and privileges hereunder, and in consideration of the services to be rendered by Franchisor to Franchisee in support of Franchisee's operations as below provided, Franchisee shall pay to Franchisor a weekly royalty equal to five percent (5%) of Gross Sales (as defined in subparagraph (b) below), deposited directly or by electronic fund transfer to Franchisor's bank account, as specified by Franchisor, on or before each Wednesday for the preceding week's Gross Sales. If payment is not received by Friday of each week, it will be deemed overdue and subject to the late charge specified in Section 3.05(a). As used in this Agreement, a "week" is a seven day period that begins on Monday and ends the following Sunday.

(b) Gross Sales Defined. As used herein the term "Gross Sales" includes the aggregate amount of all charges for senior care services, products and supplies (defined in accordance with the accounting practices and procedures as specified by Franchisor), and all other receipts of any kind of Franchisee derived directly or indirectly from the operation of the franchised Business, but excluding the amount of all sales, use, gross receipts and other taxes specifically added to sales prices and collected from customers.

3.3 Selection of Premises.

Unless otherwise agreed by Franchisor, within 180 days of the date this Agreement is signed, the Premises (a home office) shall be selected and made ready for operation. In any event, and unless otherwise specified by Franchisor, Franchisee shall commence business operations within 180 days of the date this Agreement is signed. In the event Franchisee ever moves to another, leased location, no site proposed by Franchisee may be developed or opened until a copy of the signed lease is sent to Franchisor containing all of the following:

(i) a provision granting Franchisee the right to assign the lease without penalty to Franchisor upon termination or expiration of this Agreement; and

(ii) a provision that the lessor will notify Franchisor of any breach of Franchisee's lease, and allow Franchisor a reasonable opportunity to cure the breach; and

3.4 Advertising, Public Relations and Marketing.

Recognizing the value of Network advertising, public relations and marketing programs, and the importance of the standardization of these programs to promote and further the goodwill and public image of the Franchisor's System and Marks, Franchisee agrees as follows:

(a) Network Marketing Fund. Upon written notification from Franchisor, when Franchisor reasonably determines that a local, regional or national Network Marketing Fund shall be implemented, Franchisee shall make weekly contributions of up to two percent (2%) of Gross Sales, as specified by Franchisor, payable together with and in the same manner as the royalty payments referred to in Section 3.02, to a collective Fund (hereinafter "Fund"). Until the Fund is implemented, Franchisee must spend at least three percent (3%) of Gross Sales on local approved advertising in Franchisee's Territory, and furnish proof of this to Franchisor if requested. The Fund, when implemented, shall be used by Franchisor solely for advertising, promotion and marketing in accordance with the provisions of subparagraphs (i) and (ii) below.

(i) Administration of Fund. Franchisee agrees that Franchisor shall have the right to direct all local, regional and national advertising, public relations and marketing programs for the System; to use in these programs the Fund payments described in subparagraph (a) above; and that Franchisor shall have the sole discretion over the creative concepts, materials and media used and the placement and allocation thereof. Franchisee agrees and acknowledges that one of the primary intentions of the Fund is to maximize public recognition and acceptance of Franchisor's Marks and that Franchisor undertakes no obligation in administering the Fund to make expenditures for Franchisee's Territory which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from these programs.

(ii) Fund Expenditures. Franchisee agrees that the Fund may be used to meet any and all costs of maintaining, directing, administering and preparing Network programs, including, without limitation, the cost of preparing, conducting and maintaining world wide web (internet) presence, television, radio, magazine, newspaper, direct mail, direct fax and other types of advertising campaigns; public relations activities, including, without limitation, the cost of hiring agencies to engage in public relations work; and employing advertising and public relations agencies and personnel to assist therein. Advertising and public relations agencies and personnel may be composed of employees of Franchisor or may be entities owned by or affiliated with Franchisor if use of in-house agencies is deemed best by Franchisor, in which event the methods for determining the value of services rendered by the in-house agency shall be set forth in writing and may be charged to the Fund. No sums paid by Franchisee to the Fund shall be used to defray any of Franchisor's general operating expenses, except for reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Fund and promotional programs, including, without limitation, conducting marketing research, preparing marketing and advertising materials and collecting and accounting for assessments for the Fund. An unaudited accounting of the operation of the Fund, when implemented, shall be prepared annually and made available to Franchisee upon request.

(b) Advertising Standards. All advertising by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice that may be injurious to the Franchisor's System or the goodwill associated with the Marks. Without limiting the foregoing, Franchisee agrees that all advertising and promotions by Franchisee in any form and in any medium shall be conducted in a dignified manner and shall conform to such standards and requirements as Franchisor may from time to time designate in writing. Franchisee shall submit to Franchisor (by mail, return receipt requested), for prior written approval, samples of all advertising and promotional plans and materials that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. If written approval thereof is not received by Franchisee, Franchisor shall be deemed not to have given the required approval.

(c) Website Hosting and Updates. As a separate and additional advertising obligation, Franchisee agrees to pay, on submission of invoice, then-current charges for annual hosting and updates made to the One on One Caregiving Services website made pursuant to Section 4.02(h) hereof.

3.5 Late Payments

(a) Late Payment Amount. Any payment not actually received by Franchisor as required by this Agreement shall be deemed overdue. If any payment is overdue, Franchisee shall pay Franchisor, in addition to the overdue amount, a late charge equal to ten percent (10%) of the overdue amount. This total is due upon receipt of the past due invoice and shall be deposited directly to Franchisor's bank account, as specified by Franchisor.

(b) No Waiver. Franchisee acknowledges that this Section 3.05 shall not constitute an agreement by Franchisor to accept any payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's Business. Further, Franchisee acknowledges that failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided in Section 5.02, notwithstanding the provisions of this Section.

3.6 Operation of Business.

Franchisee shall follow the Franchisor's start-up timetable as delivered during the Franchisor's training program regarding the development and commencement of Business operations and shall thereafter, continuously operate the Business devoting Franchisee's full working time, best efforts, skills, and diligence to the Business, selling and providing only those senior care services, products and supplies authorized or required to be provided as part of the Franchisor's System as set forth in Franchisor's confidential Operations Manual (herein called "Manual"), including supplements, addenda and amendments thereto, and Franchisee shall not sell or provide other services or products except those which Franchisor, in its sole and absolute discretion, shall approve as being compatible and not interfering with the Franchisor's System, Marks and Network. The Manual, as modified from time to time, and containing the most current schedule of fees, are incorporated in this franchise agreement by reference. Specifically and without limiting the foregoing, Franchisee agrees:

(a) Follow Manual and Standards. Franchisee shall operate the Business in all respects in accordance with all reasonable requirements of Franchisor from time to time in effect, as set forth in the Manual and in other communications from Franchisor, maintaining the highest business standards of quality and ethical conduct, and not otherwise so that the Business shall be established and at all times operated as and constitute a business of the highest quality and professionalism. With respect to the Manual, Franchisee specifically agrees as follows:

(i) Franchisee shall treat the Manual and other manuals created and approved for use in the operation of the Business, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain this information as secret and confidential;

(ii) Franchisee agrees that the Manual shall remain the sole property of Franchisor; and that Franchisor may, from time to time, revise the contents of any Manual;

(iii) Franchisee agrees to comply with each new or changed provision of the Manual; that no modification of the Manual will alter Franchisee's status and rights under this Agreement; and that Franchisor may update the Manual (or portions thereof) manually or by electronic means via our website or as specified by Franchisor.;

(iv) Franchisee agrees that the copy of the Manual maintained by Franchisor at its principal business address shall be controlling in the event of a dispute relative to the content of the Manual.

(b) Approved Services and Products. Franchisee shall offer or sell only those non-medical and non-skilled senior care services, products and related supplies that meet Franchisor's standards of quality and have been expressly approved by Franchisor in writing for offer or sale by Franchisee. Franchisee shall refrain from any deviation from Franchisor's standards and specifications for selling products (or services), and shall discontinue offering and selling any product (or service) that Franchisor disapproves in writing from time to time, in its sole discretion.

(c) Approved Suppliers, Etc., Evaluating & Testing. Franchisee shall purchase all non-proprietary supplies, products, services and materials required for operation of the Business solely from suppliers who demonstrate to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor standards and specifications for same; who possess adequate quality controls and ability to supply Franchisee's needs promptly and reliably; and who have been approved in writing by Franchisor and not thereafter disapproved. If Franchisee desires to purchase any item or service from an unapproved supplier, or to offer or sell products or services not previously approved by Franchisor, Franchisee shall submit a written request for approval to Franchisor, which shall not be unreasonably withheld. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, or that samples of unapproved products or services be delivered, at Franchisor's option and without charge to Franchisor, either to Franchisor or its designee for testing. A charge equal to the Franchisor's anticipated cost of evaluating and testing shall be paid to Franchisor by Franchisee prior to the evaluation and testing, with the balance due on submission of invoice. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any approved supplier and revoke its approval, if any has been granted, if the supplier fails to meet any of Franchisor's then-current approval criteria.

(d) Non-Disclosure. Franchisee shall not at any time, either during or after the term of this Agreement, copy or duplicate, or permit the copying or duplication, nor publish, disclose or in any manner reveal, or permit the publication, disclosure or revelation in any manner, to any person or entity, except employees of Franchisee on a need to know basis (and then only after obtaining a written agreement of such employees, in a form acceptable to Franchisor, made for the benefit of and enforceable by Franchisor as well as of and by Franchisee, to be bound by this commitment of nondisclosure), any portion of the Manual, supplements, addenda or amendments thereto, or any other information or material supplied by Franchisor to Franchisee and designated as confidential information. Franchisee hereby recognizes and agrees that these materials and information are proprietary trade secrets of Franchisor and are disclosed to Franchisee in strict confidence solely for use in the development and operation of the franchise during the term of this Agreement and on the condition that Franchisee will not use these trade secrets in any other business or capacity. Franchisee acknowledges and agrees that Franchisee will not acquire any interest in the trade secrets, other than the right to utilize them in the operation of the Business during the term of this franchise and that Franchisee will maintain the confidentiality of these trade secrets during and after the term of this Agreement.

(e) Devote Full Working Time to Business. Unless agreed otherwise in writing by Franchisor, Franchisee shall devote full working time to the franchised Business during the term of this Agreement. In the event Franchisee is given consent to devote less than full working time to the operation of the Business, the Franchisor's consent will be conditioned on the Franchisee employing a competent individual, approved by Franchisor, who has successfully completed the Franchisor's training program then in effect as provided for in Section 4.02(e) hereof. This individual must devote to the management of the Business at least the equivalent of the working time not devoted by Franchisee; and provided further, that if Franchisee is at any time, by reason of sickness, disability or other cause, rendered unable to devote full working time to the operation, Franchisee shall employ one or more substitutes, all to the end that there shall be devoted to the management of the Business at all times at least the full working time of one competent individual who has successfully completed Franchisor's training program. In no event shall Franchisee conduct or operate, directly or indirectly, or be employed by or associated in any way with any business which is competitive with the operation of the Business, or any portion thereof.

(f) Attend and Satisfactorily Complete All Training; Attend Conventions. Franchisee shall, at Franchisee's sole expense, attend and satisfactorily complete all training programs as provided for in Sections 4.01(a) hereof. Franchisee shall provide and carry out a training program for Franchisee's other employees in compliance with all requirements of the training and the Manual. If a new manager is hired by Franchisee, this manager must take and complete Franchisor's training course at Franchisee's expense at the then prevailing rate charged by Franchisor for new manager training. Franchisee agrees to attend all seminars and pay all associated costs as provided for in Section 4.02(c) and (e) hereof.

(g) Operational Efforts. Franchisee shall vigorously pursue and promote sales and activities leading to growth by the Business, marketing the Territory to its fullest potential, avoiding excessive customer complaints as well as declining revenues and negative reviews by Franchisor, achieving satisfactory scores on quality and client satisfaction surveys, and shall cooperate with Franchisor and other franchisees in the Franchisor's Network in promoting and enhancing the Franchisor's System, Network and Marks.

(h) Customer Complaints. Franchisee shall promptly respond to any customer complaint and inform Franchisor of any complaint not fully resolved to the customer's satisfaction within seven (7) calendar days. Franchisor shall have the right, but not the obligation to assist in or mandate a resolution to any customer complaint. Franchisee shall, at Franchisee's sole expense, implement any resolution that Franchisor directs.

3.7 Use of Commercial Symbols.

Franchisee acknowledges that Franchisee's right to use the Marks is derived solely from this Agreement and is limited to the operation of a Business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating procedures prescribed by Franchisor in its Manuals from time to time during the term of this Agreement. Specifically and without limiting the foregoing, Franchisee agrees:

(a) This Agreement does not confer any goodwill or interests in the Marks upon Franchisee.

(b) Franchisee shall use only the Marks authorized by Franchisor in its Manuals, and shall use the Marks only in the manner authorized and permitted by Franchisor.

(c) Franchisee shall use the Marks only in connection with the operation of the Business licensed hereunder and only within the Territory referred to in Section 2.01 of this Agreement.

(d) Any and all goodwill arising from Franchisee's use of the Marks under the Franchisor's System shall inure solely and exclusively to the benefit of Franchisor, and upon expiration or termination of this Agreement and the license herein granted, except as expressly provided herein, no monetary amount shall be assigned to any goodwill associated with Franchisee's use of the Franchisor's System or Marks.

(e) The Marks are valid and serve to identify Franchisor, the Franchisor's System and those licensed under the System. Franchisee agrees not to directly or indirectly contest the validity or ownership of the Marks. Throughout the term of this Agreement, including any extensions thereof, Franchisee shall identify himself or herself as a franchisee of Franchisor in conjunction with any use of the Marks, displaying the Marks in connection with the operation of the Business as Franchisor may specify from time to time.

(f) Franchisee agrees not to use any Mark licensed under this Agreement in connection with the sale of any unauthorized product or service or in any other manner not expressly approved in writing by Franchisor.

(g) If it becomes advisable at any time, in Franchisor's sole discretion, for Franchisor or Franchisee to modify or discontinue use of any Mark or use one or more additional or substitute Marks or commercial symbols, Franchisee agrees to promptly comply therewith within a reasonable time after notice by Franchisor, and Franchisor need not reimburse Franchisee for any of Franchisee's expenses or costs in complying with Franchisor's directions.

(h) Franchisee shall comply with Franchisor's instructions in filing and maintaining fictitious or trade name registrations, and shall execute any documents deemed necessary by Franchisor to protect and maintain the continued validity of the Marks.

(i)) In the event that Franchisee is aware of any use of the Marks or colorable imitation thereof which falsely suggests or represents an association or connection with Franchisor, other franchisees in the Network, or any of its Marks, or litigation involving the Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and cooperate fully with Franchisor in connection therewith. Franchisee agrees that Franchisor will have the right to control any litigation with respect to the Marks, and that Franchisor has no obligation to protect Franchisee against claims of infringement or unfair competition arising out of use of the Marks or to defend Franchisee in any legal action. However, Franchisor will take such action as Franchisor considers appropriate under the circumstances, provided Franchisee has promptly notified Franchisor in writing of all pertinent facts and provided further that Franchisee has used the Marks in strict accordance with this Agreement.

3.8 System Improvements.

Franchisee acknowledges and agrees that Franchisor may supplement, improve or otherwise alter the System and the methods, procedures and techniques which Franchisee is authorized and required hereunder to utilize in the operation of the Business, including addition to or elimination from the System of services or products or other activities constituting elements thereof. Franchisee acknowledges and agrees that Franchisor shall have sole control and discretion over all supplements, improvements, alterations and development of the System, and the senior care services and products offered there under; that this control and discretion is in the best interests of the System; and that Franchisee will comply with all Franchisor's requirements concerning the System and Network improvements thereto, including the payment of any fees or costs associated therewith. Franchisee shall seek, in its operation of the Business to develop and conceive such supplements, improvements and alterations, and upon doing so shall in each case promptly and fully advise Franchisor thereof. Franchisor shall have the right, but not the obligation, to make use of all supplements, improvements and alterations so conceived or developed by Franchisee, including the right to disseminate the same to all franchisees for their use, all without payment of royalties, fees or other compensation by Franchisor or other franchisees.

3.9 Uniform Network.

Franchisee understands and acknowledges that this franchise and the business carried on therewith will benefit from being an integral part of a network of similar franchises in a variety of locations, utilizing the Franchisor's System in a uniform manner, providing uniform senior care services, products and supplies with personnel of uniform skill and training, hence capable of mutual complementation and interrelation, particularly in the types and quality of senior care services, products and supplies offered. Accordingly, Franchisee agrees, specifically and without limiting any other obligations of Franchisee expressed in this Agreement, that the interests of the Franchisor's System and Network are vital to the success of each franchisee, and that each franchisee has an obligation to promote and further the Franchisor's System and Network to the fullest extent possible. Therefore, Franchisee agrees to adhere to Franchisor's standards, specifications and requirements concerning the Marks, the Franchisor's System and Network as specified by Franchisor from time to time in its Manuals including, without limitation, the offering of any new services or products, the elimination of any previously specified services or products, and the operation of the Business as an integral part of the Franchisor's Network, cooperating and complementing other One on One Caregiving Services franchises thereof.

3.10 Responsibility for Costs and Expenses.

Franchisee will be solely responsible for and shall pay, promptly when due, all costs, expenses, obligations and indebtedness of or in any way rising out of or in connection with the Business and the establishment and operation thereof, including all taxes, assessments and other levies, charges and impositions of any kind of any governmental or regulatory body, federal, state or local.

3.11 Compliance with Law; Good Business Practices.

Franchisee shall, in the establishment and operation of the Business, comply, at Franchisee's sole expense, with all applicable statutes, ordinances, regulations, orders and other enactment's or requirements of all governmental or regulatory bodies including obtaining any state or federal-required licenses, permits or other entitlement required by any law or laws. Franchisee must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct in all dealings with Franchisee's clients, suppliers, and Franchisor.

3.12 Indemnification.

Franchisee shall indemnify Franchisor and its officers, directors and employees and hold them harmless from and against any liability or responsibility for any matter for which Franchisee is responsible under this Section 3.12 or otherwise under this Agreement, and from and against any loss, liability, claims, demands, damages, charges, costs or expenses of any kind whatsoever, including attorney's fees, arising directly or indirectly out of or in connection with any such liability or responsibility, or otherwise out of or in connection with the establishment and operation by Franchisee of the Business, including but not limited to any such matters arising directly or indirectly out of or in connection with any injury to or death of persons or damage to or loss of property.

3.13 Insurance.

Without limiting its obligations under Section 3.12, Franchisee shall procure and maintain in effect throughout the term of this Agreement insurance coverage in the amounts and types of insurance specified by Franchisor in its Manual or otherwise in writing. The insurance shall be issued by companies licensed to do business in the state where Franchisee is located and Franchisee shall supply Franchisor with certificates of insurance currently in force reflecting the required insurance coverage. All certificates of insurance shall be renewed annually and Franchisee shall furnish Franchisor with a certificate indicating renewal at least 30 days prior to expiration of each certificate. In the event Franchisee fails to furnish these certificates, Franchisor may (but shall not be obligated to) obtain such insurance and Franchisee shall reimburse Franchisor for the cost thereof upon demand. Franchisee understands and acknowledges that Franchisor may, in its sole discretion, raise, lower or change the amounts and types of insurance required and Franchisee agrees to follow Franchisor's directions in this regard as detailed from time to time in Franchisor's Manual or otherwise in writing.

3.14 Encumbrances.

During the term of this Agreement, except with the prior written consent of Franchisor (which shall not be unreasonably withheld), Franchisee shall not mortgage, pledge or otherwise assign as security, this Franchise Agreement, the Business or any part thereof.

3.15 Record keeping; Inspections; Audits; Reports; Surveys

(a) Record keeping. Franchisee shall throughout the term hereof, maintain and preserve at the Premises full, complete and accurate books, records and accounts of the Business, and supporting data, all in accordance with generally accepted accounting principles and utilizing accounting records, software and computer systems approved or specified by Franchisor in the Manual and updated on a regular basis also as specified in the Manual. Franchisee will purchase, install and maintain a computer system specified by Franchisor for the Network and detailed in the Manual.

(b) Inspection; Audit. Franchisor shall have the right at any time during normal business hours, and without prior notice to Franchisee, to have the books, records, data and financial statements of Franchisee's Business inspected and, at Franchisor's option, audited. Any audit shall be done by a certified public accountant of Franchisor's choice, and shall be at Franchisor's sole cost and expense, except if any audit discloses an understatement of Gross Sales by five percent (5%) or more, then the entire cost of the audit, including without limitation the charges for any certified public accountant, its employees and the travel, room, board and compensation of Franchisor's employees connected with the audit, shall become immediately due and payable upon receipt of invoice.

(c) Reports. Unless otherwise required by Franchisor, Franchisee shall submit to Franchisor, in such form, detail and manner as Franchisor may require, complete and accurate reports throughout the term of this Agreement as detailed in the Manual. These reports shall include a monthly profit and loss statement, due on or before the 5th day of each calendar month, for the preceding calendar month

(d) Surveys and Studies. The continuing development, improvement and success of the Franchisor's Network and System requires meaningful, timely and accurate information concerning all functions and aspects of the business. In order that the Franchisor's System can be fully evaluated and improved and benefit all franchisees thereof, Franchisee agrees to prepare and forward to Franchisor, at times specified and on forms supplied by Franchisor, information that Franchisor may require for its use in preparing studies and surveys relating to the Business, the System and the Network, containing information specified by Franchisor.

3.16 Right of Entry.

Franchisee shall permit Franchisor and its agents the right to enter the premises of the Business at all times during regular business hours, without prior notice to Franchisee, for the purpose of determining compliance with this Agreement and the Manual, as well as for interviewing Franchisee's clients and personnel and conducting on-site market surveys or studies. Franchisee shall cooperate with Franchisor's agents during these visits, and upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take all necessary steps to promptly correct any deficiency detected by Franchisor's agents.

ARTICLE 4. FRANCHISOR'S OBLIGATIONS

4.1 Pre-Opening Services.

Franchisor shall assist Franchisee and perform initial services as follows:

(a) Training Program. Franchisor shall provide Franchisee and one additional trainee specified by Franchisee, with a training program in connection with the management and operation of the Business. The training program will be conducted at locations designated by Franchisor, of up to 57-hours of classroom training, depending on Franchisee's prior background and aptitude. All segments of the training course shall be attended and successfully completed by either Franchisee or Franchisee's trainee. If Franchisee or its trainee cannot complete a particular segment of the training program to Franchisor's satisfaction, then that portion of the training will be repeated and Franchisee agrees to pay Franchisor in accordance with Franchisor's then current charges. Franchisee shall be responsible for paying all travel, living and other expenses incurred by Franchisee and its trainee in attending Franchisor's training program.

(b) Confidential Operating Manual. Franchisor shall loan to Franchisee, promptly following the successful completion of Franchisee's training program, one complete copy of the Franchisor's Manual.

(c) Initial Forms. Franchisor will provide Franchisee with copies of reporting and other operating forms as detailed by Franchisor in its Manual.

(d) Insurance Advice. Franchisor will answer questions Franchisee may have about procuring various insurance for business operations.

(e) Prospective Client List. Franchisor will provide Franchisee a list of hospitals, nursing facilities and other potential referral sources in your territory.

(f) Start-Up Guide. Franchisor, as a chapter of its Manual, will provide Franchisee with a list of activities and steps to take to get Franchisee's Business ready to open.

4.2 Support for Business Operations.

Franchisor shall supply to Franchisee, in support and assistance of Franchisee's operations, the following:

(a) Start Up Assistance. Franchisor will assist Franchisee for a period of up to 3 days at Franchisee's Business depending on Franchisee's needs and aptitude, to aid in learning operations and to assist in establishing standard operating procedures.

(b) Consultation. Franchisor will make available, at its corporate office, personnel for consultation, in person or by written or telephone communication during normal business hours, concerning questions arising in the day-to-day operation of Franchisee's Business.

(c) Franchisee Conventions. Franchisor will sponsor annual seminars for updates on new management techniques, industry trends and other topics of interest to all franchisees. Although there will be no separate training charge for these seminars, in all cases it will be the Franchisee's responsibility to pay all travel, living and other expenses incurred by Franchisee or Franchisee's employee(s) while attending these seminars, as well as your share (the cost equally divided among all franchisees in our Network, but this cost will only apply after we have at least 10 franchises in the Network and before that it will be at Franchisor's cost) of renting any conference room, etc. used for the convention.

(d) Updating. Franchisor will disseminate periodic supplements and amendments to its confidential Operations Manual as well as other information of general interest to all Franchisees.

(e) New Manager Training. Franchisor shall provide a training program for new managers pursuant to Section 3.06, conducted at locations designated by Franchisor. Franchisee shall be responsible for paying to Franchisor upon commencement of this training program, a training fee calculated in accordance with Franchisor's then-current Training Fee Schedule. Franchisee shall in all cases be responsible for paying all travel, living and other expenses incurred by its trainee in attending this training.

(f) Advertising. When implemented, Franchisor will supervise the development of advertising, promotional, public relations, direct mail and other programs pursuant to the terms of Section 3.04 hereof.

(g) Additional Consulting. At Franchisee's request, Franchisor will provide additional, support or on-site consulting services in accordance with Franchisor's then-current consulting fee schedule that sets forth acceptable consulting assignments, the skill set required and hourly rate(s). An advance retainer may be required to commence the assignment, with payments for the retainer and other billings due on receipt of invoice.

(h) Website Hosting and Updates. Franchisor will host and provide updates of the One on One Caregiving Services website on an as needed basis. Franchisee agrees to pay for this hosting and updates based on Franchisor's then-current fee and payment terms which will be specified by Franchisor.

4.3 Protection of Marks.

Franchisor will take all steps reasonably necessary to preserve and protect the ownership and validity of the Marks. Franchisor will use, and permit Franchisee and other franchisees to use, the Marks only in accordance with the Franchisor's System and the standards and specifications attendant thereto which underlie the goodwill associated with and symbolized by the Marks.

ARTICLE 5. TERMINATION

5.1 Termination by Franchisee; Opportunity to Cure.

Franchisee shall have the right, at its option, to terminate this Agreement by giving written notice to Franchisor by registered or certified mail, addressed as provided in Section 7.06, in the event Franchisor defaults in the performance of any agreement on its part to be performed hereunder and the default is not remedied within 30 days after written notice from Franchisee to Franchisor of the default setting forth the nature thereof. Franchisee's termination of this Agreement for any other reason or without notice will be deemed a termination without cause.

5.2 Immediate Termination by Franchisor.

Franchisor shall have the right, at its option, to terminate this Agreement and all rights granted Franchisee hereunder, without affording Franchisee any opportunity to cure the default, effective upon receipt of notice by Franchisee, addressed as provided in Section 7.06, upon the occurrence of any of the following events, which Franchisee acknowledges are detrimental to, and reflect unfavorably upon, the operation and reputation of the Franchisor's System, the Marks, the Network, and goodwill thereof:

(a) Abandonment. If operations of the Business cease for a period of five (5) consecutive days, or any shorter period that indicates an intent by Franchisee to discontinue operation of the Business, unless and only to the extent that full operation of the Business is suspended or terminated due to fire, flood, earthquake or other similar causes beyond Franchisee's control;

(b) Insolvency; Assignments. If Franchisee becomes insolvent or is adjudicated a bankrupt; or any action is taken by Franchisee, or by others against Franchisee, under any insolvency, bankruptcy or reorganization act, and not fully dismissed within thirty (30) days after the institution thereof; or Franchisee makes any purported assignment, transfer or sublicense of this Agreement or of the rights in this Agreement without the prior written consent of Franchisor;

(c) Unsatisfied Judgments; Levy; Foreclosure. If any judgment is obtained against Franchisee which remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against

Franchisee's Business or any of the property used in the Business and is not discharged within five (5) days; or if the real or personal property of Franchisee's Business shall be sold after levy thereupon by any sheriff, marshal or constable;

(d) Criminal Conviction. If Franchisee is convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of Franchisor, to materially and unfavorably affect the Franchisor System, Marks, Network, goodwill or reputation thereof;

(e) Misuse of Marks; Unauthorized Disclosure If Franchisee fails to comply with the covenants contained in Sections 3.07 or Franchisee knowingly discloses to any unauthorized person the contents of any part of Franchisor's Manual or any other trade secrets or confidential information provided to Franchisee by Franchisor and designated as such;

(f) Uncured Defaults or Repeated Defaults. If Franchisee defaults in the performance of any agreement made herein, and the default is not remedied to Franchisor's satisfaction within thirty (30) days after written notice thereof from Franchisor to Franchisee; or Franchisee, after curing a default engages in the same default on 2 other occasions within a six (6) month period whether or not these defaults have been corrected after notice; or Franchisee engages in a total of 5 defaults within a twelve (12) month period whether or not these defaults have been corrected after notice. Defaults shall include, for example, without limitation, the occurrence of any of the following:

(i) Failure to Maintain Standards. Franchisee fails to maintain the operating procedures and standards established by Franchisor for the Business and System as detailed in its Manual;

(ii) Failure to Submit Reports. Franchisee refuses or neglects to submit reports or other information on a timely basis as required by this Agreement;

(iii) Failure to Obtain Consent. Franchisee fails, refuses or neglects to obtain Franchisor's prior written approval or consent as required by this Agreement;

(g) Failure to Make Payments. If Franchisee fails to pay any amount due Franchisor within five (5) business days after receiving notice that such amounts are overdue.

5.3 Rights and Duties on Termination.

In the event of any termination of this Agreement, whether by reason of action by Franchisee or Franchisor as above provided, or as elsewhere provided in this Agreement, or by the expiration of the term hereof, the parties shall have the following rights and duties:

(a) Cease Operation of Business under System and Marks. All rights and privileges herein granted to Franchisee shall immediately terminate and revert to Franchisor, with all rights and goodwill of the Business pertaining thereto, and Franchisee shall surrender all such rights and privileges, shall cease operation of the Business using the Franchisor's System and Marks in all connections, including any colorable imitation thereof or in any manner or for any purpose, or utilize for any purpose any trade name, service mark, trademark, logo or other insignia which is likely to cause confusion, mistake or deception or that falsely suggests or indicates a connection or association with Franchisor. Franchisee shall take all action required to cancel all fictitious or assumed name or equivalent registrations relating to Franchisee's use of any Mark.

(b) Pay Creditors; Return Manuals; Cease Use of Website. Franchisee shall immediately pay all creditors of the Business, including all sums then owing by Franchisee to Franchisor and shall immediately return without delay all Manual and all other material described therein (or in any notice from Franchisor) as property of Franchisor, and all forms, advertising matter, and all other materials received by Franchisee from Franchisor and in the possession of Franchisee. Franchisee shall also cease all use of any Franchisor-owned domain name, URL or home page address and shall not establish any Website using any similar or confusing domain name, URL or home page address.

(c) Franchisor's Options On Termination. Unless termination results solely from the proper exercise by Franchisee of Franchisee's election as provided in Section 5.01 hereof, Franchisor shall have the following options, exercisable by written notice to Franchisee (indicating which option(s) Franchisor intends to exercise) at any time within 30 days from the date of termination hereof to: (i) require that Franchisee assign to Franchisor the leasehold interest of the Premises (or, if assignment is prohibited, a sublease for the full remaining term and on the same terms as the lease) in consideration of Our assumption of the leasing obligations; (ii) to purchase from Franchisee the entire interest in the franchise, including all client lists, client contracts, client file records, provider numbers, equipment, furnishings, fixtures and other physical assets owned by Franchisee and used in the operation of the Business for the same price paid by Franchisee less depreciation taken (i.e. book value) as of the date of Franchisor's written notice. The purchase price for any purchased items shall not include any payment for goodwill or other intangibles, and shall be payable at the closing of the purchase. The closing shall take place at a time designed by Franchisor within thirty (30) calendar days after Franchisee receives notice of exercise of Franchisor's purchase option or options. For anything Franchisor purchases, Franchisee will provide such representations and warranties satisfactory to Franchisor concerning Franchisee's ownership of purchased items, condition of and title to the items and the absence of any liens and encumbrances. Franchisor shall have the unrestricted right to assign any of the options in this Section 5.03 (c). Franchisee will assist Franchisor in every way possible to bring about a complete and effective transfer of Franchisee's franchise business to Franchisor or to its designated person (or entity).

(d) Transfer Phone Numbers. Franchisee shall relinquish and take all steps necessary and hereby irrevocably appoints Franchisor as Franchisee's attorney-in-fact to transfer to Franchisor all right, title and interest in all or any of Franchisee's telephone numbers, fax numbers, pager numbers, cellular phone numbers, including the listing, and advertising privileges concurrent therewith, relating in any way to the Business.

(e) Franchisor's Rights Following Termination. Following termination of this Agreement, unless termination results from the proper exercise by Franchisee of Franchisee's option as provided in Section 5.01 hereof, Franchisor shall be entitled, either to operate the Business itself, with the use of all assets, including goodwill, reverting and transferred to it on termination as above provided, or to grant the franchise herein granted, and to sell all such properties and assets, to others upon terms and conditions as Franchisor shall determine, and to retain all proceeds of the transaction, in either event, without obligation to Franchisee of any kind.

(f) Rights Not Exclusive. The foregoing rights of Franchisor upon termination by reason of breach or default hereunder shall not be exclusive, but shall be in addition to and not in lieu of any other rights available to Franchisor under the terms hereof or at law or in equity. Termination of this Agreement under any circumstances shall not abrogate, impair, release, or extinguish any debt, obligation, or liability of Franchisee which may have accrued hereunder, including without limitation any debt, obligation, or liability which was the cause of termination. All covenants and agreements of Franchisee that by their terms or by reasonable implication are to be performed, in whole or in part, after the termination of this Agreement, shall survive termination.

(g) Activities Following Termination. Franchisee acknowledges that the elements comprising the Franchisor's System are unique, proprietary and distinctive and have been developed by Franchisor as the result of great expenditures of time, effort and money; that Franchisee has regular and continuing access to valuable trade secret and confidential information; and that Franchisee recognizes its obligation to keep this trade secret and confidential information in confidence pursuant to the provisions of this Agreement. Franchisee therefore agrees as follows:

(i) Nondisclosure. If, prior to its expiration this Agreement is terminated by Franchisor in accordance with the provisions of this Agreement or by Franchisee without cause, or this Agreement expires pursuant to the terms hereof and is not renewed, or the franchise is sold or assigned, Franchisee shall not thereafter use or disclose to any person or entity any trade secrets, know-how, improvements, marketing plans, formulas, processes or other elements constituting proprietary and confidential aspects of the Franchisor's System. Franchisee shall also abide by the restrictions specified in subparagraph (ii) below.

(ii) Competition. Franchisee acknowledges that in addition to the license of the Marks hereunder, Franchisor has also licensed a large body of commercially valuable information including, but not limited to, operations, marketing, advertising and related materials and that the value of this information derives not only from the time, effort and money which went into its compilation but from the usage of same by all franchisees in the Franchisor's Network to develop System goodwill. Franchisee further acknowledges that this information is not generally known in the industry and is beyond Franchisee's present skills and experience (or if Franchisee had prior related experience, it was not experience or knowledge remotely comparable to Franchisor's experience and knowledge) and that to develop this information would be expensive, time-consuming and difficult. Franchisee finally acknowledges that gaining access to Franchisor's marketing techniques, operational procedures, business practices and management methods used in Franchisee's Business is a primary reason for entering into this Agreement. Franchisee therefore agrees that, unless this Agreement is properly terminated pursuant to Section 5.01 hereof, in order to foster System loyalty, promote inter-brand competition and protect the ability of Franchisor to sell new franchise rights within the area, Franchisee will not, for a period of two (2) years, commencing on the effective date of termination, or the date on which Franchisee ceases the business conducted pursuant to this Agreement, whichever is later, have any interest as an owner, investor, partner, director, officer, employee, consultant, representative or agent, in any business competitive with that theretofore constituting the operations of a Business or any portion thereof, within ten (10) miles of Franchisee's Territory (except ownership of securities that are traded on a stock exchange or on the over-the-counter market representing five percent (5%) or less of the equity or voting power of the issuer thereof). It is understood and agreed by Franchisee that the purpose of this covenant is not to deprive Franchisee of means of livelihood and will not do so, because Franchisee earned a livelihood before entering into this Agreement, has the skills to do so in the future and that Franchisee will not be restricted from engaging in any business outside the scope of the Business herein; and that the purpose is to protect the goodwill and interests of Franchisor, the Franchisor's System and Network of One on One Caregiving Services franchises.

(h) Irreparable Injury. Franchisee acknowledges that Franchisee's breach or threatened breach of Sections 3.06(d), 3.07, 5.03 and 6.02(a) would result in irreparable injury to Franchisor, the Marks and System for which no adequate remedy at law is available. Franchisee accordingly agrees that if Franchisee breaches, or threatens to breach any of these provisions, Franchisor shall be entitled to permanent and temporary injunctive relief from any arbitration panel or court of competent jurisdiction in addition to other remedies allowed by law.

ARTICLE 6. TRANSFER AND ASSIGNMENT

6.01 Prior Offering and Consent; Conditions For Approval.

Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee and that Franchisor has granted this franchise in reliance upon the individual character, skill, aptitude, attitude, business ability and financial capacity of Franchisee. Therefore, except as hereinafter provided at Section

6.4 , neither this Agreement or the Business, or any part or all of the ownership of Franchisee therein (including, but not limited to voting stock, securities convertible thereto, partnership and sole proprietorship interests), may be voluntarily, involuntarily, directly or indirectly assigned, sold, issued or otherwise transferred by Franchisee or its owner(s) until this Agreement and the Business have first been offered to Franchisor as provided in Section 6.03, and, if Franchisor does not accept this offer, without the prior written consent of Franchisor which shall not be unreasonably withheld, provided that the following conditions are met prior to, or concurrently with, the effective date of the assignment:

(a) The proposed transferee meets Franchisor's uniform standards of qualification then applicable with respect to all applicants for a One on One Caregiving Services franchise including, but not limited to financial strength, business experience, profile fit and other relevant business considerations; and

(b) As of the effective date of the transfer, all obligations of Franchisee under all written contracts and agreements between Franchisee and Franchisor are fully satisfied; and

(c) A transfer fee in an amount equal to Franchisor's then-current transfer and training fee is paid to Franchisor at least 30 days prior to the effective date of the transfer to cover Franchisor's costs in evaluating and training the proposed transferee, as well as effecting the transfer; and

(d) The transferee shall have signed and agreed to be bound by the form of franchise agreement (and other ancillary agreements, if any) as are then used by Franchisor in the grant of franchises which shall: (i) waive the initial franchise fee; (ii) provide for a term equal to the remaining term hereof; and (iii) provide for the same royalty fee and other fees required in this Agreement; and

(e) The proposed transferee attends and completes all segments of the training program to Franchisor's satisfaction; and

(f) Except to the extent limited by applicable law, Franchisee and its owner(s) have executed a general release, in form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, directors, officers, employees and agents; and

(g) Franchisor approves the material terms and conditions of the assignment, which approval shall not be unreasonably withheld, including particularly a determination that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Business by the proposed transferee in compliance with the terms and conditions of the franchise agreement.

6.2 <u>Death or Disability; Interim Management by Franchisor</u>

In the event of the death or disability of Franchisee or of a principal owner of

Franchisee, or if Franchisee is a corporation or partnership, or the owner of a majority interest therein, the executor, administrator, conservator or other personal representative of such person shall transfer his interest within a reasonable time, not to exceed one hundred twenty (120) days from the date of death or disability, to a third party approved by Franchisor. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee from supervising management and operation of the franchise for thirty or more consecutive days. This transfer, including, without limitation, transfers by devise or inheritance, shall be subject to all of the terms and conditions contained in Section 6.01 and the following:

(a) Interim Management by Franchisor. If after death or disability Franchisee's Business is not being managed and operated by a competent and trained manager, or Franchisor has exercised its option to purchase pursuant to Section 5:03 (c), or any other time when Franchisor is concerned that continued operation by Franchisee may harm the Marks or System, Franchisor is authorized, but is not obligated, to immediately assume management of the Business until an approved and trained transferee can assume operations. Revenues from operation of the Business during the period of interim management by Franchisor shall be used by Franchisor to meet any and all expenses of Franchisee's Business including, without limitation, the weekly compensation, travel and living expenses of any of Franchisor's employees or designees. Operation of Franchisee's Business during any period of management by Franchisor pursuant to this subparagraph (a) shall be for and on behalf of Franchisee, provided that Franchisor shall only have a duty to utilize its best efforts and shall not be liable for any debts, obligations or losses incurred by the Business during any period in which it is managed by Franchisor.

6.3 Right of First Refusal.

In the event Franchisee desires to make any sale, assignment or other transfer referred to in Section 6.01, Franchisee shall first obtain a bona fide, executed written offer from responsible and fully disclosed purchaser(s) and submit an exact copy of this offer to Franchisor. Franchisor shall have the right, exercisable by written notice delivered to Franchisee, to accept this offer on equal terms and price at any time within thirty (30) days following receipt by Franchisor of the exact copy of Franchisee's offer. If Franchisor does not exercise its right of first refusal, Franchisee may complete the proposed sale, assignment or other transfer pursuant to and on the terms of the offer, and in compliance with all provisions of Section 6.01. In the event the sale, assignment or other transfer is not completed within sixty (60) days after delivery of the offer to Franchisor or there is a material change in the terms of the sale, assignment or other transfer, Franchisor shall again have a right of first refusal herein provided.

(a) Transfer of Major Interest. In the event Franchisee desires to make any sale, assignment or other transfer of more than 50% of the capital stock or of the partnership interest of a corporation, partnership or other entity organized and wholly owned by Franchisee to which this Agreement has been assigned pursuant to Section 6.04, then Franchisor shall also have the option to purchase not only the interest being transferred but also the remaining interest so that Franchisor shall have a right of first refusal to purchase 100% of the ownership interest. The value of this 100% interest shall be determined on a basis proportionate to the price of the interest initially offered. For example, if a 60% interest is being sold by Franchisee for $1,000,000 then the value of the 100% interest would be $1,666,666.

6.4 Assignment to Franchisee Entity.

It is understood that Franchisee may assign and delegate this Agreement and Franchisee's rights and obligations hereunder to a corporation, partnership or limited liability company ("LLC") organized by Franchisee for that purpose in which Franchisee owns and controls a majority of the equity and voting power of all issued and outstanding stock, general partnership interest or LLC membership interest, and without complying with Sections 6.01 and 6.03, provided that:

(a) All shareholders (or partnership partners or LLC members), the maximum number of which are four, are identified to and approved by Franchisor (which approval shall not be unreasonably withheld); and

(b) The articles of incorporation, articles of partnership, partnership agreement, bylaws, LLC member agreements or other organizational documents of the corporation, partnership or LLC shall recite that the issuance and assignment of any interest therein is restricted by the terms of Sections 6.01 and 6.03 of this Agreement, and in the case of a corporation all issued and outstanding stock certificates of the corporation shall bear a legend reflecting or referring to the restrictions of Sections 6.01 and 6.03 in a form satisfactory to counsel for Franchisor; and

(c) Each shareholder, officer, director or partner of Franchisee shall execute an agreement provided by Franchisor undertaking to be bound jointly and severally by the provisions of this Agreement; and

(d) Franchisee shall furnish to Franchisor at any time upon request, in form as Franchisor may require, a list of all shareholders, directors, officers, partners or LLC members of Franchisee reflecting their respective interests in and positions with Franchisee; and

(e) The corporation, partnership or LLC shall at no time engage, directly or indirectly, in any similar business activity other than those directly related to the operation of Franchisee's Business, pursuant to all terms and conditions of this Agreement; and

(f) Franchisor shall be given written notice of the assignment and delegation, and upon compliance with the foregoing, the corporation, partnership or LLC shall have all of said rights and obligations, and the term "Franchisee" as used herein shall refer to the corporation, partnership or LLC.

6.5 Consent Does Not Constitute Waiver.

Franchisor's consent to an assignment or transfer of any interest subject to the restrictions of this Article shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor right to demand exact compliance with any of the terms or conditions hereof by transferee.

6.6 Transfer or Assignment By Franchisor.

This Agreement is fully assignable by Franchisor in whole or in part and shall inure to the benefit of any assignee or other legal successor to the interest of Franchisor herein.

ARTICLE 7. ADDITIONAL LIMITATIONS AND PROVISIONS

7.1 Independent Status.

This Agreement and the activities pursuant hereto do not and will not be deemed to create any relationship between Franchisor and Franchisee or any other party of agency, partnership, joint venture or employment, or any other relationship except that of franchisor and franchisee or except when this Agreement expressly authorizes Franchisor to act as attorney-in-fact for Franchisee in specified circumstances. Franchisor shall have no right to control any employees of Franchisee, including the terms and conditions of their employment. Franchisee is and shall be solely an independent contractor and shall at no time act or represent itself to be acting in any other capacity. Without limiting the foregoing, Franchisee shall not incur any obligation or indebtedness on behalf of Franchisor; shall only contract or otherwise incur any obligation or indebtedness only in Franchisee's own name, which, if Franchisee is a corporation or partnership, shall at no time include Franchisor's name or Marks or any part thereof, or be so similar thereto so as to be in any way misleading; and Franchisee shall otherwise comply with the provisions of Section 3.07 hereof.

7.2 Whole Agreement; Amendments; Construction.

This Agreement contains the entire understanding of the parties, except for such additional agreements and understandings as may, concurrently herewith or hereafter be set forth in written agreements executed by both parties hereto. This Agreement shall be effective only when executed by a duly authorized officer of Franchisor. Subject to Franchisor's right to modify its Manuals as provided herein, no amendment or addition to this Agreement shall be effective unless in writing, executed by a duly authorized officer of Franchisor and by Franchisee Subject to Franchisor's right to modify its Manual as provided herein, no amendment or addition to this Agreement shall be effective unless in writing, executed by a duly authorized officer of Franchisor and by Franchisee. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of the sections or paragraphs. This Agreement shall be executed in multiple copies, each of which shall be deemed an original. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

7.3 No Representations or Warranties

Franchisee specifically recognizes and acknowledges that the success of the business venture contemplated by this Agreement depends largely upon the abilities of Franchisee as an independent businessperson, as well as other factors, such as market and economic conditions beyond the control of Franchisor and Franchisee. Franchisee acknowledges entering into this Agreement only after making a thorough, independent investigation of Franchisor's operations and program and the competitive market thereof, and not upon any representation, whether as to profits which Franchisee might expect to realize or otherwise. Franchisee acknowledges that there has been no representation or warranty not expressly stated in this Agreement made by Franchisor or any representative thereof or any other person on its behalf, regarding the potential success of Franchisee's business, or otherwise.

7.4 Severability; Additional Assurances.

Should any provision of this Agreement be for any reason held invalid, illegal or unenforceable, that provision shall be deemed restricted in application to the extent required to render it valid and the remainder hereof shall in no way be affected and shall remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Agreement without inclusion of the invalid, illegal or unenforceable provision. If any of the provisions of this contract are inconsistent with applicable state law, then the state law shall apply. Each party agrees to execute and deliver to the other any further documents that may be reasonably required to fully effectuate the provisions hereof To the extent that any provisions of Sections 3.06(e) or 5.03(g) are deemed unenforceable by virtue of its scope of area, prohibited business activity or length of time, but may be made enforceable by reductions of any or all provisions thereof, Franchisee and Franchisor agree that Sections 3.06(e) or 5.03(g) shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. Although printed provisions of this Agreement were prepared by Franchisor, this Agreement shall not be construed either for or against Franchisor or Franchisee, but shall be construed in accord with the general tenor of the language to reach a fair and equitable result.

7.5 Remedies.

It is agreed that any controversy or dispute arising out of or in connection with this Agreement and activities hereunder, including any termination or purported termination hereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules, as then in effect, of the American Arbitration Association. The arbitration shall be conducted before an arbitrator who has at least 10 years experience in franchising and franchise law. Judgment upon the award rendered by the Arbitrator(s) may be entered in any state or federal court having jurisdiction and shall be final, binding and non-appealable. It is the intent of the parties that no claim arbitrated hereunder shall be arbitrated on a class wide basis. In the event that this Agreement is terminated by Franchisor on account of a claimed default hereunder by Franchisee, and without waiving any of Franchisor's rights hereunder, any objection or claim by Franchisee arising there from shall be deemed waived and released unless Franchisee shall deliver to Franchisor written demand for arbitration within twenty (30) days following the effective date of the termination; provided, however, that this waiver and release of claims shall not apply with respect to any claim arising under applicable state law. The failure of either party to object to, or exercise any remedy on account of, any failure or performance hereunder by the other party shall not constitute a waiver of any other failure of performance of the same or different nature.

7.6 Notices.

All notices required or permitted hereunder shall be in writing, shall be deemed given when received, and shall be personally delivered to or sent by registered or certified mail, return receipt requested, or by telecopy or facsimile (provided the sender has confirmation of successful transmission), but shall not include electronic communication (such as email), addressed as follows:

To Franchisor: One on One Caregiving Services
8141 2nd Street – Suite 603,
Downey, California 90241
Attn: President

To Franchisee: ______________________________
____
____
____

Either party may change the address for notices by written notice to the other in accordance with the foregoing.

7.7 Successors and Assigns; Governing Law; Jurisdiction

Subject to the above provisions concerning assignments and transfers by Franchisee, this Agreement shall inure to the benefit of and be binding upon the successors, assigns and legal representatives of the parties hereto.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et. seq.) or other applicable state law, this Agreement shall be construed in accordance with, and governed by, the laws of the State where Franchisee is located when this Agreement is signed. If a claim is asserted in any legal proceeding, or in arbitration, Franchisee agrees all actions must be commenced in the state, and in the state or federal court of general jurisdiction (or arbitration site) closest to where Franchisor's principal business address is then located, and Franchisee irrevocably submits to the jurisdiction of those courts and waives any objection Franchisee might have to either jurisdiction or venue in those courts.

7.8 Limitation of Claims

Except for claims arising from Franchisee's nonpayment or underpayment of amounts due Franchisor, and subject to Section 7.05 hereof, any and all claims arising out of or relating to this Agreement will be barred as a claim, counterclaim, defense or set off unless a proceeding is commenced within one (1) year from the occurrence of the facts giving rise to such claims or ninety (90) days from either the actual discovery of the facts giving rise to such claims or from the date on which the party asserting the claim knew or should have, in the exercise of reasonable diligence, discovered such facts. Claims arising under a termination by Franchisor must be made within 30 days of the termination date or they will be barred.

7.9 Waiver of Punitive Damages

Franchisor and Franchisee (and its owners and guarantors, if applicable) hereby waive to the fullest extent permitted by law, any right to or clam for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained.

7.10 Acknowledgment of Understanding; Opportunity to Consult

Franchisee acknowledges reading and understanding this Agreement, including all attachments hereto, and agreements relating thereto, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult with an attorney, accountant or other advisor of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

7.11 No Attorney Fees

Except with respect to Section 3.12 hereof, if legal action, including any action on appeal, or arbitration is necessary to enforce the terms and conditions of this Agreement, neither party will be permitted to recover attorney fees from the other, unless either party is entitled to recover attorney fees under applicable law if it prevails. In that case, if the opposing party prevails, it has a reciprocal right to recover attorney fees.

In Witness Whereof, the parties hereto have executed this Agreement as of this _____ day of____________, 20___.

One on One Caregiving Services,
a California Corporation
("Franchisor")

Franchisee

("Franchisee")

By_______________________

By_______________________

Title____________________

Print Name: ______________________

Exhibit 1 to One on One Caregiving Services Franchise Agreement

The Designated Territory referred to in subparagraph (b) of Section 2.01 is:

________ ________

initials initials

EXHIBIT C

LIST OF CURRENT FRANCHISEES AND FORMER FRANCHISEES

EXHIBIT C

LIST OF CURRENT FRANCHISEES AND FORMER FRANCHISEES

List of current franchisees as of December 31, 2016:

Pelando Salivio and Ma. Teresa Salivio - 4505 California Ave. 211 Long Beach, CA 90807
Lailanie Arsua - 2640 Ticatica Drive Hacienda Heights, CA 91745
Rochelle Abril - 7816 7th Street, Fowney, CA 90241

Company Owned:

8141 2nd Street, Ste. 603, Downey, CA 90241

List of former franchisees as of December 31, 2016:

None.

EXHIBIT D

LIST OF STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT D

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Business Oversight One Samsome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	Edward N. Fernandez 8141 E. 2nd Street – Suite 603 Downey, CA 90241
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 44 Capitol Avenue Hartford, CT 06106 203-240-8299	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	State of Hawaii Business Registration Division Securities Compliance Branch Dept. of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101 651-296-4026	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1230 "O" Street, Suite 400 Lincoln, NE 68508 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 212-416-8222	Secretary of State of New York 41 State Street Albany, New York 12231 Mrs. Lassoff 212-416-8236 Mr. Grimes 212-416-8235
NORTH CAROLINA	Secretary of State's Office/Securities Division Legislative Annex Building 300 Salisbury Street Raleigh, NC 27602 919-733-3924	Secretary of State Secretary of State's Office 300 Salisbury Street Raleigh, NC 27602
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Securities Division Department of Business Regulation 1511 Pontiac Avenue John O. Pastore Center – Building 69-1 Cranston, RI 02920 401-222-3048	Director of the Rhode Island Department of Business Regulation Rhode Island Attorney General 1511 Pontiac Avenue John O. Pastore Center – Building 69-1 Cranston, RI 02920
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	Department of Commerce and Regulation Division of Securities 445 E. Capitol Avenue Pierre, SD 57501-3185 605-773-4823	Director of South Dakota Division of Securities Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX:801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT E

STATE-SPECIFIC ADDENDA

EXHIBIT E

STATE LAW ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are to the Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement.

CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.

2. No litigation is required to be disclosed in this Franchise Disclosure Document and no person or entity identified in Items 1 or 2 of this Franchise Disclosure Document is subject to a currently effective injunctive 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 any person from membership in that association or exchange.

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

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

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

6. The franchise agreement (except for certain equitable and injunctive relief) requires binding arbitration of all disputes before the American Arbitration Association. Arbitration will occur in our then-current home state at a location closest to our principal business address (currently Downey, California). The franchise agreement does not address costs of arbitration, so each side would generally pay its own costs.

7. Prospective franchisees are encourage 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.

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

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

10. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.DBO.ca.gov

EXHIBIT F

STATEMENT OF FRANCHISEE

EXHIBIT F
STATEMENT OF FRANCHISEE

To be Completed in Prospective Franchisee's Own Handwriting

As you know, One on One Caregiving Services ("we", "us", "our") and you are preparing to enter into a Franchise Agreement (referred to below as the "Franchise Agreement") for the operation of senior care franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the Franchise Agreement and all attached exhibits?

Yes No _____

2. Do you understand all of the information contained in the Franchise Agreement and attached exhibits?

Yes_____No _____

If No, what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

____

____

____

____

____

3. Have you received and personally reviewed our disclosure document that was provided to you?

Yes_____No _____

4. Did you sign a receipt for the disclosure document indicating the date you received it?

Yes_____No _____

5. Do you understand all of the information contained in our disclosure document?

Yes_____No _____

If No, what parts of the disclosure document do you not understand? (Attach additional pages, if necessary.)

____

____

____
____
____
____

6. Have you discussed the benefits and risks of operating a senior care franchise with an attorney, accountant, or other professional advisor?

Yes_____ No _____

7. Do you understand that the success or failure of your senior care franchise will depend in large part upon your skills and abilities, competition from other senior care competitors, interest rates, inflation, labor costs and other economic and business factors?

Yes _____ No _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a senior care franchise that any of our franchisees operate?

Yes No _____

9. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a senior care franchise?

Yes_____ No ______

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue a senior care franchise will generate?

Yes_____ No ______

11. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating a senior care franchise that is contrary to or different from, the information contained in the disclosure document?

Yes No _____

12. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a senior care franchise?

Yes _____ No _____

13. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we

will furnish to you that is contrary to, or different from, the information contained in the disclosure document?

Yes_____ No _____

14. Have you entered into any binding agreement with us concerning the purchase of this franchise prior to today?

Yes_____ No _____

15. Have you paid any money to us before today?

Yes_____ No _____

If you answered "Yes" to any one of questions 8-15, please provide a full explanation of each "yes" answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of questions 8-15, please leave the following lines blank.

____

____

____

____

____

____

Please understand that your responses to these questions are important to us and that we are relying on them in granting you a One on One Caregiving Services senior care franchise. By signing this Statement of Franchisee, you are representing that you have responded truthfully to the above questions.

FRANCHISEE

By:________________________________

Print Your Name Here: ______________________________

Date:________________________________, 20_____

EXHIBIT G

Receipts

EXHIBIT G

RECEIPT

(Retain This Copy)

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 One on One Caregiving Services offers you a franchise, One on One Caregiving Services must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, One on One Caregiving Services or an affiliate in connection with the proposed franchise sale.

If One on One Caregiving Services 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, DC 20580, and the appropriate state agency identified on **Exhibit D**.

The name, principal business address and telephone number of each franchise seller offering the franchise are: Edward N. Fernandez and Eduardo V. Fernandez 8141 E. 2nd Street – Suite 612, Downey, CA 90241, (800) 980-9394.

See **Exhibit D** for our registered agents authorized to receive service of process. Our authorized agent for service of process in California is Edward Fernandez, 8141 E. 2nd Street – Suite 612, Downey, CA 90241

I have received a disclosure document dated March 13, 2017 that included the following Exhibits:

Exhibit A:	Financial Statements
Exhibit B:	Franchise Agreement
Exhibit C:	List of Current Franchisees and Former Franchisees
Exhibit D:	List of State Agencies and Agents for Service
Exhibit E:	State-Specific Addenda
Exhibit F:	Statement of Franchisee
Exhibit G:	Receipts

Date	Signature	Printed Name
Date	Signature	Printed Name

Please retain this copy for your records.

EXHIBIT G

RECEIPT
(Our Copy – Please sign, date and return this copy to us)

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 One on One Caregiving Services offers you a franchise, One on One Caregiving Services must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, One on One Caregiving Services or an affiliate in connection with the proposed franchise sale.

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Exhibit E:	State-Specific Addenda
Exhibit F:	Statement of Franchisee
Exhibit G:	Receipts

Date	Signature	Printed Name
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to us.

Received
LA Mailroom

MAR 17 2017

Department of
Business Oversight

CLEAN