FRANCHISE DISCLOSURE DOCUMENT

Senior Living and Care Solutions

Senior Care Authority, LLC, a Nevada limited liability company
885 Tahoe Blvd., Incline Village, Nevada 89451
Phone: (888) 809-1231 Website: www.seniorcareauthority.com

As a franchisee, you will operate a senior placement and consulting agency assisting families and seniors to find ideal locations for the seniors to live under the name "Senior Care Authority®."

The total investment necessary to begin the operation of a Senior Care Authority® business in a single marketing area is between $84,995 and $112,745. This includes $73,100 that must be paid to the franchisor or its affiliates. The total investment necessary to begin the operation of a Senior Care Authority® business in two marketing areas is between $127,495 and $155,245. This includes $115,600 that must be paid to the franchisor or its affiliates. The total investment necessary to begin the operation of a Senior Care Authority® business in three marketing areas is between $164,495 and $192,245. This includes $152,600 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Frank Samson, Senior Care Authority, 885 Tahoe Blvd., Incline Village, Nevada 89451, (888) 809-1231, or email: frank@seniorcareauthority.com.

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

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

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

ISSUANCE DATE: April 23, 2025, amended July 7, 2025

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit J.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Senior Care Authority® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Senior Care Authority® franchisee?	Item 20 or Exhibit J lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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

4. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

MICHIGAN SPECIFIC-NOTICE

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

(a) A prohibition of the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure each failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of your Placement Agency are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside of Michigan. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualification or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

At your option, in the event that our most recent financial statements are unaudited and show a net worth of less than $100,000.00 then we will, at your request, arrange for the escrow of your initial investment and other funds paid by you until our obligations to provide real estate, improvements, equipment, inventory, training, or other items included in this franchise offering are fulfilled.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Attorney General's Department for the State of Michigan, Consumer Protection Division, Franchise Section, 670 Law Building, 525 W. Ottawa Street, Lansing, Michigan 48913, (517) 373-7117.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "we", "us," or "our" means Senior Care Authority, LLC, the franchisor. "You" or "your" means the person to whom we grant a franchise, whether you are an individual or a corporation, partnership, limited liability company or other legal entity, and includes all owners and partners of the person who buys the franchise.

The Franchisor, its Parent, Predecessors, and its Affiliates

We are a Nevada limited liability company that was originally formed in California on March 25, 2014. We converted to a Nevada limited liability company on April 9, 2025. Our principal business address is 885 Tahoe Blvd., Incline Village, Nevada 89451. We do business under the name "Senior Care Authority®" and other trademarks we designate (the "Marks").

We began offering franchises in 2014. We have not previously offered franchises in any other line of business. We operate a business of the type being franchised (which was previously operated by an affiliate). That business has operated since approximately May 2009.

Effective July 1, 2025, our parent is Senior Care Authority Holdings, LLC ("Holdings"), a Nevada limited liability company formed on July 1, 2025. Its principal business address is 885 Tahoe Blvd, Incline Village, NV 89451. Holdings does not provide products or services to our franchisees. Holdings does not offer franchises in any line of business.

We do not have any predecessors. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

The Franchise We Offer

We offer franchises that provide senior placement and consulting services. As a franchisee, you will operate a business (a "Placement Agency") assisting families and seniors to find ideal locations for seniors to live and help them receive the necessary care and supervision for their daily living needs and activities. In addition, we provide eldercare consulting services, helping families to make informed care decisions and provide resources in their community including the selection of in-home care providers and caregivers. We also offer EASE (Employee Assistance Solutions for Eldercare), which is a program servicing companies as a benefit to their employees. Placement Agencies are operated under a system that includes our valuable know-how, information, trade secrets, training methods, Operations Manual, standards, designs, trademark usages, copyrights, sources and specifications, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with the operation and promotion of Placement Agencies, all of which may be changed, improved, and further developed from time to time (the "System").

Each Placement Agency will typically be conducted from your home office, although you have the option of operating from a small commercial space. You must operate your Placement Agency following our standard business operating practices and sign our standard franchise agreement ("Franchise Agreement"). Your Placement Agency must offer the products and services we authorize and require you to offer. We reserve the right to add, modify, or delete any services or products that you must offer or sell at your Placement Agency at any time upon written notice to you in our sole discretion. You must also obtain all necessary permits, licenses and approvals to operate your Placement Agency.

We may offer you the option to purchase the right to operate your Placement Agency in a Territory consisting of multiple Marketing Areas. A "Marketing Area" is an area consisting of a minimum of 2,000 and maximum of 4,000 beds that are licensed by your state for the purpose of providing assisted living or memory care. If your Territory consists of multiple Marketing Areas, you will begin marketing in your initial Marketing Area first and expand into the additional Marketing Areas according to a development schedule that will be listed on Addendum 1 to the Franchise Agreement. Once you expand into a new Marketing Area, you will be obligated to begin marketing in that Marketing Area and pay us additional fees for that Marketing Area.

Market and Competition

The market for our services and products generally is competitive. You will primarily market your services to professional, medical and senior service organizations for referrals to families and individuals seeking consulting services and placement for seniors in residential care facilities. The demand for these services is not seasonal. You will have to compete with franchised operations, national chains and independently-owned companies providing senior placement services and similar services.

Industry-Specific Regulations

In addition to laws and regulations that apply to businesses generally, most states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your business, including occupational health and safety; labor; licensing and bonding; insurance; and advertising. You may need to obtain licensing and certifications (as required by your state or local law) to provide services from your Placement Agency. Some jurisdictions have passed laws that require businesses to pay their employees a higher minimum wage than what is required under federal law, which laws may disproportionately affect franchised businesses.

The services you provide will not include hiring any medical professionals which would require licensing in the State of California.

Agents for Service of Process

Our agents for service of process are listed on Exhibit A to this Disclosure Document.

ITEM 2

BUSINESS EXPERIENCE

Founder and Chief Executive Officer: Frank M. Samson

Frank M. Samson has held this position since our inception in May 2009. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada.

President and Chief Operating Officer: Mark Molnar

Mark Molnar has held this position with us since January 2025. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. From November 2018 to the present, Mark has also been an owner and operator of two Senior Care Authority® Placement Agencies in Cleveland, Ohio through our affiliates, North Park Senior Care, LLC and Ohio Senior Care Operating Company LLC.

Vice President of Franchise Support: Mary Molnar

Mary Molnar has held this position with us since July 2025. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. From November 2018 to the present, Mary has also been an owner and operator of a Senior Care Authority® Placement Agencies in Cleveland, Ohio through our affiliate, North Park Senior Care, LLC.

Vice President, Franchise Support and Training: Marcy Baskin

Marcy Baskin has held this position with us since March 2014. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. She also operated our corporate franchise location since 2012 and now owns that franchise, located in Petaluma, California.

Business Consultant and Digital Marketing Specialist: Rob Gandley

Rob Gandley has held this position with us since January 2023. From August 2020 to January 2023, Rob was our Vice President of Marketing and Business Development. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. From August 2015 to August 2020, Rob was the Vice President of Marketing and Business Development at SEO Samba, located in Colorado Springs, Colorado.

Franchise Development Manager: Sabine Nevermann

Sabine Nevermann has held this position with us since August 2021. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. From February 2014 to December 2019, Sabine was Franchise Development Qualification Manager and Franchise Development Coordinator of Tutor Doctor in San Jose, California.

Board Advisor: Edward Goitia

Edward Goitia has served as our Board Advisor since January 2021. From May 2009 through June 2025, we were based in Petaluma, California. Since June 2025, we have been based in Incline Village, Nevada. From 2018 to present Edward has served as a Partner for FranLaunch USA, located in Tucson, Arizona. Edward also serves as a Franchisor Consultant for Seven Brother Burgers in Kahuku, Hawaii, since March 2017. Additionally, since January 2015, Edward has been owner and manager of his real estate investment firm, Geneva Ventures, LLC, in Falmouth, Maine.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

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ITEM 5

INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee ("Initial Franchise Fee") in a lump sum when you sign the Franchise Agreement. The amount of your Initial Franchise Fee will depend on the number of Marketing Areas you purchase. A "Marketing Area" is an area consisting of a minimum of 2,500 and maximum of 4,000 beds that are licensed by your state for the purpose of providing assisted living or memory care. We will charge you an Initial Franchise Fee for the number of Marketing Areas you purchase, according to the following schedule:

Number of Marketing Areas	Initial Franchise Fee
1	$52,500
2	$95,000
3	$132,000
More than 3	$132,000 for first three; $37,000 for each additional

Your Marketing Areas will be identified on Addendum 1 to the Franchise Agreement.

If we terminate the Franchise Agreement due to your failure to perform your pre-opening obligations or to complete our Training Program to our satisfaction, we will refund to you 50% of the Initial Franchise Fee that you paid to us.

The Initial Franchise Fee is not refundable under any circumstances other than those described above.

Onboarding Fee

You must pay us an onboarding fee of $12,750 ("Onboarding Fee") in a lump sum when you sign the Franchise Agreement, which pays for training, a three-day onsite training visit from us to your location; website development, customer relationship management ("CRM") software programming and press release development relating to the opening of your business. The Onboarding Fee is not refundable under any circumstances.

Training Expense Reimbursement

If you request that we provide any part of the Training Program or one-on-one coaching to you in person, we will ask you to reimburse us for our travel, lodging, and other costs related to providing in-person training. The estimated range for Training Expense Reimbursement is $3,000 to $5,000, depending on the location and duration of training. Training Expense Reimbursement fees are not refundable under any circumstances.

Marketing and Technology Support Fee

You must pay us a Marketing and Technology Support Fee of $950 per month starting on the first day of the first full month after you sign the Franchise Agreement. This fee applies to a single Marketing Area. If you purchase the right to operate in multiple contiguous Marketing Areas, you will also pay us an additional $200 per month for each additional contiguous Marketing Area, but only once you begin marketing into each additional Marketing Area. The Marketing and Technology Support Fee covers a dedicated website (URL), one license for the CRM, up to two email addresses, and other marketing and technology-related services and products. It is described in detail in Item 8 and is not refundable under any circumstances. For the purposes of this Item 5, the range of initial Marketing and Technology Support Fees you will pay us is

between $0 and $2,850, assuming you do not begin operating your Placement Agency until the latest permitted opening date under the Franchise Agreement.

All initial fees are uniform to all franchisees under this offering.

ITEM 6

OTHER FEES[1]

Type of Fee	Amount	Due Date	Remarks
Royalty	8% of your Gross Sales, subject to the following monthly minimums for each Marketing Area you purchase: $0 during your first five months of operation; $500 in months 6-12; $800 in months 13-24 $1,000 in months 25-36 $1,200 in months 37 and beyond (Notes 1 and 2).	Payable monthly on the first day of each month, or other day of the month we designate in the Operations Manual.	Based on your Gross Sales during the previous month. We charge the minimum fees per Marketing Area you purchase. You will begin paying minimum royalties for a Marketing Area when you begin operating there.
Marketing and Technology Support Fee	$950 per month. If you purchase more than one contiguous Marketing Area, you will pay an additional $200 per month for each additional contiguous Marketing Area once you begin operating in that Marketing Area. We may increase this fee no more frequently than annually commensurate with our costs, but no increase will exceed 110% of our or our affiliates' actual costs and expenses.	Payable monthly on the first day of each month, or other day of the month we or our supplier designate in the Operations Manual.	Includes a dedicated website (URL) and our efforts to conduct keyword Search Engine Optimization (SEO) for the System, one license for the CRM, up to two email addresses, unlimited file space on Google Drive, our website for the System, email marketing, customized newsletters to your contacts, podcast marketing, our social media platform, and support for these items. You may be required to pay this fee directly to our supplier instead of us.
Meetings, conferences, or conventions	Currently up to $1,950 per conference, meeting, or convention. We may increase this fee commensurate with our costs but no increase will exceed 110% of our or our affiliates' actual costs and expenses.	Prior to the conference, meeting, or convention	We may conduct periodic conferences, meetings, or conventions for all franchisees and managers. If we make attendance mandatory, you must pay this fee even if you don't attend.
Referral Fee	Currently thirty percent (30%) of the total commission payment that you receive from the	Within five days of your receiving your commission payment.	If another Placement Agency refers a customer to you, you will pay that Placement Agency this fee

Type of Fee	Amount	Due Date	Remarks
	applicable Facility where you place the customer that was referred to you, subject to adjustment on a case-by-case basis. The standard fee arrangement is a 70/30 commission split between the franchisees which may vary only if both parties mutually agree to an alternative commission split (Note 3).		for referring the customer to you. We have the right to adjust, revise, or add to this fee annually.
Fees Charged Based On Your Request Or Need			
Additional Email Addresses / Google Workspace	$20.00 per month for each additional email address (in excess of two per territory), which includes Google Workspace Products. We may increase this fee commensurate with our costs but no increase will exceed 110% of our or our affiliates' actual costs and expenses.	Payable monthly on the first day of each month, or other day of the month we designate in the Operations Manual.	This fee is subject to increases no more frequently than annually.
Additional CRM Licenses	Currently $100.00 per month for each additional CRM license (in excess of one per territory). We may increase this fee commensurate with our costs but no increase will exceed 110% of our or our affiliates' actual costs and expenses.	Payable monthly on the first day of each month, or other day of the month we designate in the Operations Manual.	This fee is subject to increases no more frequently than annually.
Additional Requested Training and One-on-One Coaching	Currently $350 a session for one-on-one coaching, and $500 per day for on-site assistance. Also, you must pay all travel, lodging, meals, and other expenses we incur if we conduct training away from our headquarters. We may increase this fee commensurate with our costs but no increase will exceed 110% of our or our affiliates' actual costs and expenses.	Prior to our providing any such training or advice	In the event you are not operating your Placement Agency according to the Operations Manual, we have the right to require you and your staff to attend additional training, which will occur (at our option) either at your Placement Agency or at another Placement Agency we select. You must pay all travel, meal, lodging, salary, and living expenses for your attendees if the training occurs at a Placement Agency other than yours.

Type of Fee	Amount	Due Date	Remarks
Transfer Fee	$15,000, regardless of the number of Marketing Areas you are transferring. You or your transferee must also pay us our then-current Onboarding Fee.	Date we approve your transfer.	Applicable only if you choose to transfer your Franchise Agreement to an individual or company; includes compensation for our efforts in assisting you in your sale.
Transfer Fee (existing franchisee of ours)	$5,000, regardless of the number of Marketing Areas you are transferring. You or your transferee must also pay us our then-current Onboarding Fee.	Date we approve your transfer.	Applicable only if you choose to transfer your Franchise Agreement to an individual or company.
Successor Agreement (Renewal) Fee	$7,500, regardless of the number of Marketing Areas you are renewing.	Upon signing a Successor Franchise Agreement	Applicable only if you wish to obtain a successor Franchise Agreement (renew) with us.
Travel, Lodging, and Living Expense Reimbursement	Our actual costs of providing in-person training to you.	Upon demand.	If you request that we provide any part of the Training Program or one-on-one coaching to you in person, you must reimburse us for our travel, lodging, and other costs related to providing in-person training.
Supplier or Product Approval Fee	Reasonable costs incurred by us with respect to evaluating a supplier or product for which you request our approval, which will typically be between $500 and $1,000. If the supplier is approved, we will refund to you.	Upon demand	Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or products you wish to purchase.
Fees We Have The Right To Charge Only Under Certain Circumstances			
Late or Dishonored Payment	$100 per week for each late and/or dishonored payment	Upon demand	Payable only if you do not pay your bills on time, if any check, electronic payment or other payment you tender to us is not honored for any reason.
Late Fee for Overdue Annual Financial Reports or Tax Returns	$100 per week	Upon demand	Payable when you fail to send us your annual financial statements or tax returns on time.
Costs, administrative expenses, and attorneys' fees (Note 4)	Will vary under circumstances	Upon settlement or conclusion of a claim or action; in resolution of our efforts to collect past-due fees from you; or when we take action against	Due when you do not comply with your contract.

Type of Fee	Amount	Due Date	Remarks
		you in response to your default of your contract.	
Customer Service and Complaint Resolution	Varies; reasonable costs we incur for responding to a customer.	On invoice	Payable if a customer of your Placement Agency contacts us with a complaint and we provide a credit or refund to the customer as part of our addressing its complaint, or if we determine that we need to provide assistance directly to your customers.
Interest	Daily equivalent of 1.5% per month simple interest of the delinquent amount or the highest rate permitted by law, whichever is less.	Payable when any payment is overdue.	Payable only if you do not pay your bills on time. Interest begins from the date of underpayment.
Audit Fees	Actual cost of audit fees, plus the underreported fees, late charges on those fees, and interest on the fees you did not pay at 1.5% per month.	As incurred.	Payable only if the audit shows an understatement greater than 3% of reported amounts.
Management Fee	$500 per day that we manage your Placement Agency, plus our direct expenses incurred on your behalf	As incurred	Due when we (or a third party) manage your Placement Agency after your death or disability, or by exercising our step-in rights.
Insurance	Our cost of premiums, plus an administrative fee equal to 20% of the cost of the premiums.	Upon demand	Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you.
Indemnification	Will vary under circumstances	As incurred	Payable to indemnify us, our affiliates and owners, officers, employees, agents, successors, and assigns against all claims related to your ownership and operation of your Placement Agency.
Liquidated Damages	See Note 5.	Within fifteen (15) days of the early termination of your franchise.	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach, or you terminate the Franchise Agreement without legal cause.

1. All fees paid to us are uniform and non-refundable under any circumstances once paid, other than the Initial Franchise Fee. Fees paid to vendors or other suppliers may or may not be refundable depending on the vendors and suppliers. All fees listed in this Item 6 are uniformly imposed by us as to all franchisees.

All fees or money that you owe to us or our affiliates must be paid by electronic transfer no later than on the date they are due.

¨Gross Sales" means all revenue accrued from the sale of all products and performance of services in, at, upon, about, through or from your Placement Agency, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to your Placement Agency including insurance proceeds and/or condemnation awards for loss of sales, profits or business, as will the full retail value of any gift certificate or coupon sold for use at your Placement Agency (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from Gross Sales); provided, however, that Gross Sales will not include revenues from any sales taxes or other add-on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority, and the amount of cash refunds to, and coupons used by customers, provided such amounts have been included in Gross Sales, but will not include income from any specific product when the State, City or County that your franchise is located in specifically forbids such practice, and only then.

2. If you acquire the Franchise Agreement through a transfer from a former Senior Care Authority® franchisee, your Minimum Monthly Royalty will follow the schedule established for the transferring franchisee.

3. A "Facility" is a residential care establishment that provides housing, personal care, and support services to seniors and individuals with disabilities. This includes, but is not limited to, assisted living communities, memory care facilities, skilled nursing facilities, independent living communities, adult day care centers, and any other long-term care options that offer services such as medical care, personal assistance, social activities, and specialized care for individuals with dementia or other cognitive impairments.

4. If we win any legal action to protect our rights or enforce the Franchise Agreement, you must reimburse us for reasonable attorneys' fees and court costs. If we are involved in any legal action due to your actions or errors, you are responsible for our reasonable attorneys' fees and third-party costs. Additionally, if we need to engage a collection agency, legal counsel, or any third party due to your failure to pay amounts due, submit required reports, or comply with the Franchise Agreement, you must cover all related costs, including reasonable legal fees, investigation fees, travel expenses, and hourly charges of our employees or agents.

5. Liquidated damages are calculated by: (a) multiplying the combined monthly average of Royalty Fees (excluding any fee waivers or reductions) owed from the opening date of your Placement Agency to the early termination date by the number of full months remaining in the Franchise Agreement, up to a maximum of 24 months; or (b) if you were not in the System for 24 months, the sum of the Minimum Monthly Royalty amounts that would have been payable for each remaining month in the 24-month period had you remained in the System, pursuant to the fee schedule set forth in Section 6.2 of the Franchise Agreement.

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ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[1]	$52,500 to $132,000	Wire Transfer	At Signing of Franchise Agreement	Us
Marketing and Technology Support Fee	$0 to 2,850	As Arranged	Before Beginning Operations	Us
Onboarding Fee	$12,750	Wire Transfer	At Signing of Franchise Agreement	Us
Training Expense Reimbursement	$0 to $5,000	As Arranged	Before Beginning Operations	Us
Real Estate/Rent[2]	$0 to $1,350	As Arranged	Before Beginning Operations	Landlord
Utilities and Deposits	$0 to $500	As Arranged	Before Beginning Operations	Suppliers
Certification: Certified Senior Advisor[3]	$1,000 to $1,200	As Arranged	Within the first year of operation	Society of Certified Senior Advisors
Certification: Certified Dementia Practitioner®[3]	$195	As Arranged	Prior to completing online training	National Council of Certified Dementia Practitioners
Market Event[4]	$3,000 to $5,000	As Arranged	Within the first nine months of operation	Approved Suppliers, Suppliers
Initial Supply of Brochures, Folders, and Business Cards	$300 to $700	As Arranged	Before Beginning Operations	Approved Suppliers
Office Equipment and Supplies	$1,000 to $2,000	As Arranged	Before Beginning Operations	Approved Suppliers, Suppliers
Signage	$0 to $1,000	As Arranged	Before Beginning Operations	Suppliers
Insurance	$1,500 to $2,000	As Arranged	Before Beginning Operations	Required Insurance Company
Computer Systems	$0 to $3,000	As Arranged	First 3 Months of Operation	Suppliers
Vehicle	$0 to $1,000	As Arranged	Before Beginning Operations	Suppliers
Furniture, Fixtures & Equipment	$0 to $1,000	As Arranged	Before Beginning Operations	Suppliers
Licenses & Permits[5]	$0 to $1,000	As Arranged	Before Beginning Operations	Licensing Authorities
Leasehold Improvements	$0 to $1,000	As Arranged	Before Beginning Operations	Suppliers
Legal & Accounting	$500 to $3,000	As Arranged	Before Beginning Operations	Attorney, Accountant
Branded Apparel	$100 to $300	As Arranged	Before Beginning Operations	Approved Suppliers
National Placement and Referral Alliance (NPRA) Membership[6]	$400	As Arranged	Within the first six-months of operation	National Placement and Referral Alliance
FastTrack to Market[7]	$10,000	As Arranged	Within the first year of operation	Approved Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Additional Funds[8] (3 months)	$1,750 to $5,000	As Arranged	As Necessary	Utilities, Internet Expense, & Other Suppliers
Total Estimated Investment (Single Marketing Area)[9]	$84,995 to $112,745			
Total Estimated Investment (Two Marketing Areas)[9]	$127,495 to $155,245			
Total Estimated Investment (Three Marketing Areas)[9]	$164,495 to $192,245			

(Please see Notes below, which are an integral part of this Item)

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Placement Agency. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing from third parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you request a loan.

We will refund a portion of your Initial Franchise Fee under the circumstances described in Item 5. Other than the Initial Franchise Fee, we do not refund any money that you pay us. We do not know whether any of the money you pay to third parties will be refundable. In compiling this chart, we relied on both our own experience and the historical experience of our former affiliate, SCA, which previously operated the Placement Agency we now own. SCA's operational data, combined with our experience as a franchisor of Placement Agencies since 2014, informed our estimates of the costs a franchisee may incur before opening and during the initial phase of operations.

1. Initial Franchise Fee. The low number is for a single Marketing Area with a minimum of 2,500 beds. The high number is for three (3) Marketing Areas.

2. Real Estate/Rent. We expect that you will operate your Placement Agency from an office you set up in your or your Designated Manager's home. The low estimate of $0 assumes that you will operate your Placement Agency from your home. The high estimate assumes that you will lease a shared office suite. It is difficult to estimate lease acquisition costs because of the wide variation in these costs between various locations. Lease costs will vary based upon square footage and cost per square foot. Some lessors may refund the security deposit if you cancel the lease before you occupy the premises. Estimated rental costs for 3 months are included with the category "Additional Funds."

3. Certifications. Before you begin our online training program, you must attend the Certified Senior Advisor® and Certified Dementia Practitioner® certification programs and pay for the costs to go through this training program, and you must obtain the certification provided. The program is available online and in person. If you attend in person, there may be costs for travel, certification or other expenses related to this process if the program is not offered near your home. We have not included the costs of travel here.

4. Market Event. We require you to spend a certain amount of money promoting your Placement Agency within your Territory as a market event to introduce your products and services to potential clients and referral sources. We will provide you with optional content and promotional assistance.

5. Licenses & Permits. State and local government agencies typically charge fees for occupancy permits, operating licenses and permits to make improvements to your office and storage area. In addition to business and operating licenses and permits, you may need to obtain specific licensing to offer placement

services, licensing depending on your state or region. Your actual costs may vary from the estimates based on the requirements of state and local government agencies.

6. National Placement and Referral Alliance (NPRA) Membership. NPRA is an organization that represents our industry with various initiatives including lobbying efforts on a national basis. The fee included here is the amount of your annual membership fee.

7. FastTrack to Market. You will work with our marketing team to implement a local marketing program to bring in potential clients for placement and consulting services.

8. Additional Funds. Additional funds is an estimate of the funds needed to cover pre- and post-opening expenses including sales taxes, recruiting, on-site training expenses, as well as additional operating capital for other variable costs (e.g., electricity, telephone, Internet service, Internet setup, etc.), paper, office supplies, cellular telephones, and other supplies. Additional funds are also an estimate of the monies you will need on hand during the initial phase of Business operations. This estimate does not include the estimated cost of salaries for any employees, as we do not expect you to hire employees during your first three months of operation.

9. Figures May Vary. This Estimated Initial Investment Item 7 includes our estimates of your initial startup expenses and funds for additional inventory and additional funds for the operation of your Placement Agency. These expenses include payroll costs. These figures are estimates and we cannot guarantee that you will not have additional expenses starting your Placement Agency. You should conduct your own independent investigation of the costs of opening a Placement Agency in the geographic area in which you intend to open your Placement Agency. Additional funds for the operation of your Placement Agency will be required after the first three months of operation if sales produced by your Placement Agency are not sufficient to produce positive cash flow.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To help ensure a uniform image and uniform quality of products and services throughout the Senior Care Authority System, you must maintain and comply with our quality standards. Any required standards exist to protect our interest in the System and the Marks and not for the purpose of establishing any control, or the duty to take control, over those matters that clearly are reserved to you. We publish our standards, specifications, policies, and procedures in our confidential operations manuals, our training videos, and other documents (collectively, the "Operations Manual") that we will loan to you.

Approved and Designated Suppliers

We will provide you with a list of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved equipment and other items or services necessary to operate your Placement Agency ("Approved Supplies List"). From time to time we, our affiliate or a third-party vendor or supplier, may be the only approved supplier for certain products. The Approved Supplies List also may include other specific products without reference to a particular manufacturer, or they may designate the specifications and/or standards for other approved products. We may revise the Approved Suppliers List and Approved Supplies List. We give you the approved lists as we deem advisable.

Except for instances where we designate a single source supplier, if you wish to purchase any products or services for which we have established approved suppliers from an unapproved supplier, you may request our consent in writing and we will be required to consider your request. The procedure for submitting a

request will be outlined in the Operations Manual. We will require you to reimburse us for our reasonable costs incurred by us with respect to evaluating a supplier or product for which you request our approval, which will typically be between $500 and $1,000. If the supplier is approved, we will refund the fee to you. We will not require you to pay us any fees, or reimburse us for any costs, in connection with the process of evaluating or approving new suppliers. We will have up to 30 days to conduct our evaluation before we render a decision. If we request, you must submit samples and other information as we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality and safety standards. We may re-inspect the facilities and products of any supplier of an approved supplier or item and revoke our approval of any supplier or item that fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or item.

We apply the following general criteria in approving a proposed supplier: (1) ability to make product in conformity with our specifications; (2) reputation and integrity of supplier; (3) financial condition and insurance coverage of the supplier; and (4) system uniformity. We do not make our specific criteria for selecting approved suppliers available to our franchisees, nor do we make our specifications known to suppliers.

Required Purchases or Leases

A list of the materials that you can, or will be required to, purchase from suppliers approved by us, and the names of those approved suppliers, will be listed in our Operations Manual. Other than the marketing and technology fee products, neither we nor our affiliates currently are approved suppliers for any products or services, but we reserve the right to become approved suppliers, or the only approved suppliers, in the future.

Marketing and Technology Support Fee

You will be required to pay us a monthly marketing and technology fee, which will be used to provide you (for each territory you purchase) one license and user identification name for our CRM Software, and two licenses to access to our Google Workspace products including Google Drive, Google Docs, and Google business email. We will also provide you with certain website, social media, email marketing, artificial intelligence, and other marketing services and support from our staff for these products and services. We (or our affiliate) are the only approved suppliers for these items.

Certifications

You will be required to obtain two certifications in connection with your Placement Agency from the approved suppliers within the first year you operate your Placement Agency: The Certified Senior Advisor certification and the Certified Dementia Practitioner® certification. You will be required to maintain these certifications on an ongoing basis. We are not an approved supplier of the certifications.

Computer System and Software

You will be required to use a cloud-based software system with your Placement Agency. This software can be used on most common computer and smartphone operating systems, including Windows, Apple, iOS, and Android. Upgrades to the Computer System may be required periodically. We are not currently a supplier of the Computer System. You must purchase Quickbooks through our approved supplier.

We, or our third-party suppliers, will provide you with certain technology products or updates, and maintain technology services for the System, in exchange for the fees noted in Item 6. Otherwise, we are not an approved supplier of the computer system.

Bookkeeping

If fail for more than three (3) months to keep your books updated and accurate, we will require you to use the services of a third-party bookkeeper to maintain your books for your Placement Agency.

Marketing Materials

You will be required to purchase from approved suppliers the marketing materials for your Placement Agency, both for your market launch and on an ongoing basis. Your "Starter Kit" of required collaterals including your business cards, brochures, rack cards, presentation folders will be ordered for you. All subsequent orders will be placed by you directly through our supplier portal. We (or our affiliate) are not an approved supplier of these materials.

Background Checks

We require you to hire a reputable third party company to conduct criminal background checks on employees or independent contractors before you hire or contract with them. We and our affiliates are not approved suppliers of these services.

Real Estate

Although we permit you to operate your Business Office from your home, we do require you have a business address that is not your home address. To fulfill this requirement, you can rent a virtual office suite or a mailbox from a service that will provide you a "Suite" number but not a post office box (P.O. box) number. We are not an approved supplier of real estate for your Placement Agency.

Insurance

You must obtain and carry, at your expense, insurance policies that we periodically require protecting you and us. All insurance policies must name us as an additional insured party. You must purchase your policy through our designated insurance broker. We are not an approved supplier of the required insurance policies.

Required Insurance.

You must purchase and maintain, through our designated insurance broker, throughout the term of the Agreement: (1) professional liability (errors & omissions) and general liability insurance written on Occurrence Form coverage for the franchised business with limits of at least $1,000,000 per occurrence, $3,000,000 aggregate limit, and $100,000 damage to rented premises per occurrence; (2) personal and advertising injury coverage of $1,000,000 per occurrence; (3) automobile liability, covering any automobile, including any hired or non-owned vehicles used in your Placement Agency's operation, of $1,000,000 coverage or higher amount if required by applicable law; (4) worker's compensation and employer's liability, which must meet statutory requirements of your state if applicable; and (6) other insurance to comply with applicable law.

We also recommend (but do not require) the following types of insurance: (1) if you have employees, employment practices liability insurance in an amount of $1,000,000 for each loss and $1,000,000 in costs ($2,000,000 total); (2) crime bond insurance in an amount recommended by your insurer, without a conviction clause; (3) abuse and molestation coverage in the amount of $100,000 per occurrence, $300,000 aggregate; and, (4) excess or umbrella liability insurance with limits of not less than $1,000,000 per occurrence, $1,000,000 aggregate.

Each policy must (1) be primary and non-contributory; (2) be issued by an insurance company(ies) with a rating of not less than "AVII" in the current Best Insurance Guide or approved by us; (3) name us and such Affiliates of ours as we may designate as "additional insureds" and will contain an "Additional Insured-Designated Person or Organization" endorsement (or equivalent), without any qualifying language; (4) provide that the insurance cannot be canceled or non-renewed, except upon 30 days advance written notice to us; (5) contain a waiver of subrogation rights of the insurer(s) against us and our designated Affiliates, which waiver will be effective regardless of whether any loss is caused by the act, omission or negligence of us and our designated Affiliates, and (6) will contain a "Waiver of Transfer Rights of Recovery Against Others" endorsement (or its equivalent).We may unilaterally modify our insurance requirements, which modifications may include increasing minimum policy limits, by delivering to you written notice of the change through the Operations Manual.

Proportion of Required Purchases and Leases to All Purchases and Leases

We estimate that the purchase of goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Placement Agency, from us or our designated or approved suppliers and distributors, or those meeting our standards and specifications, will be between 20% and 80% of your total cost to establish a Placement Agency and between 20% and 70% of your total cost of operating a Placement Agency (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment, furniture, or fixtures).

Purchasing Cooperatives, Purchasing Arrangements, Rebates, Payments, and Derived Revenue

We do not have purchasing and distribution co-operatives as of the issuance date of this Franchise Disclosure Document; however, we may negotiate alternative purchase arrangements with suppliers and distributors of approved products for the benefit of our franchisees and we reserve the right to receive rebates on volume discounts from our purchase of products that we may re-sell to you. We currently negotiate agreements with several national and regional assisted living and memory care communities on behalf of our franchisees, and we reserve the right to negotiate prices in the future for various products for the benefit of the System, but not on behalf of or for the specific benefit of individual franchisees.

We reserve the right to derive a profit from our arrangements with certain approved suppliers, but as of the issuance date of this Franchise Disclosure Document, we have not yet derived any profit from our arrangement with any approved supplier. There are no caps or limitations on the maximum amount of payments we may receive from our suppliers as the result of franchisee purchases.

Our total revenue in 2024, as disclosed in our audited financial statements (Exhibit C to this Disclosure Document) was $2,668,396. Our revenue from all required purchases and leases by franchisees was $811,290, which was 30.4% of our total revenue. We did not have any affiliates that derived revenue, rebates or other material consideration from required purchases or leases by franchisees.

Some of our officers own an equity interest in us (the franchisor) and our affiliates, and we may be an approved supplier. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of designated or approved suppliers.

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ITEM 9

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section In Agreement	Item In FDD
a	Site Selection & Acquisition/Lease	Sections 3.1 – 3.4, and Addenda 1, 4, and 5 of the Franchise Agreement; Addendum 1	Items 7, 8, 11, and 12
b	Pre-Opening Purchase/Leases	Sections 3.2 – 3.4, 9.2, and 9.4 of the Franchise Agreement	Items 5, 7, 8, and 11
c	Site Development & Other Pre-Opening Requirements	Sections 3.2 – 3.6 of the Franchise Agreement; Addendum 1	Items 7, 8, and 11
d	Initial & Ongoing Training	Sections 10.1 – 10.5 of the Franchise Agreement	Items 6, 7, and 11
e	Opening	Section 3.5 of the Franchise Agreement; Addendum 1	Item 11
f	Fees	Article 6 of the Franchise Agreement	Items 5, 6, and 7
g	Compliance With Standards And Policies/Operating Operations Manual	Articles 7, 8, and 9 of the Franchise Agreement	Items 8 and 11
h	Trademarks & Proprietary Information	Articles 7 & 9 of the Franchise Agreement	Items 11, 13, 14, and 16
i	Restrictions On Products/Services Offered	Sections 9.2, 9.3, 9.4, 9.5, 9.6, 9.8, 9.9, & 9.11 of the Franchise Agreement	Items 8, 11, 12, and 16
j	Warranty & Customer Service Requirements	Section 9.9 of the Franchise Agreement	Item 11
k	Territorial Development & Sales Quotas	Section 2.1 of the Franchise Agreement; Addendum 1	Item 12.
I	Ongoing Product/Service Purchases	Sections 9,2 9.3, 9.4 9.5, 9.6 & 9.8 of the Franchise Agreement	Items 6 and 8
m	Maintenance, Appearance And Remodeling Requirements	Sections 9.6 & 9.8 of the Franchise Agreement	Items 8, 11, 16, and 17
n	Insurance	Section 14.3 of the Franchise Agreement	Items 7 and 8
o	Advertising	Articles 6 and 8 of the Franchise Agreement; Addendum 1	Items 6, 7, 8, and 11
p	Indemnification	Section 14.1 of the Franchise Agreement	Item 6
q	Owner's Participation, Management, Staffing	Section 9.1of the Franchise Agreement	Items 11 and 15
r	Records and Reports	Section 6.5, Article 11, and Article 12 of the Franchise Agreement	Item 11
s	Inspections And Audits	Article 12 of the Franchise Agreement	Items 6 and 11
t	Transfer	Article 15 of the Franchise Agreement	Item 17

	Obligation	Section In Agreement	Item In FDD
u	Renewal	Section 5.2 of the Franchise Agreement	Item 17
v	Post-Termination Obligations	Articles 16 & 18 of the Franchise Agreement	Item 17
w	Non-Competition Covenants	Article 16 of the Franchise Agreement	Items 15 and 17; Exhibit H
x	Dispute Resolution	Article 19 of the Franchise Agreement	Item 17
y	Liquidated Damages	Section 18.7 of the Franchise Agreement	Item 6

ITEM 10

FINANCING

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

ITEM 11

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

Except as listed below, Senior Care Authority, LLC is not required to provide you with any assistance.

Pre-Opening Assistance. Prior to the opening of your Placement Agency, we will provide the following initial services:

1. Grant you a franchise to operate a Placement Agency. (Franchise Agreement, Article 2)

2. We do not provide you with necessary equipment, signs, fixtures, opening inventory, and supplies for your Placement Agency, but we will provide you with the names of approved suppliers as well as our written specifications for them. (Franchise Agreement, Article 3)

3. Before the opening of your Placement Agency, you are required to complete your Certified Senior Advisor (CSA) course and our training program which will be online, or other designated location (the "Training Program") on the operation of a Placement Agency. We describe the Training Program later in this Item. (Franchise Agreement, Article 10).

4. Loan to you, or provide you with electronic access to, one copy of the Operations Manual. We describe the Operations Manual later in this Item. (Franchise Agreement, Article 9)

Site Selection

Because your Placement Agency does not require a physical location, we do not anticipate that you will operate your Franchised Business from any physical location (other than managing your Franchised Business from your home office). You will need a virtual office address and suite number (through a shared office) for your Placement Agency that must be located in your Territory, but we do not need to review or approve your site or lease. We do not select any location of your Franchised Business. We do not own any premises or lease them to you. (Franchise Agreement, Article 3).

Time to Open

We estimate that there will be an interval of time of 30 to 90 days between the execution of the Franchise Agreement and the opening of your Placement Agency. The factors that may affect this length of time include the time it takes you to complete the training, obtaining marketing materials, hiring as needed, and delayed shipping of equipment you may need to operate your business. You must begin operating your Placement Agency within 90 days of signing the Franchise Agreement; if you do not, we have the right to terminate the Franchise Agreement. If we terminate the Franchise Agreement for this reason, we will refund to you 50% of the Initial Fee you paid us. (Franchise Agreement, Article 3)

Post-Opening Obligations. During the operation of your Placement Agency, we will:

1. Make a representative reasonably available to provide you with individual assistance, by phone or through electronic means, during normal business hours. (Franchise Agreement, Article 10)

2. Provide you with specifications and standards, and provide general guidance through meetings, printed materials, and/or other media. (Franchise Agreement, Article 10)

3. At your request (or if we require it in the case that you are performing below our System standards), provide you with additional training or one-on-one consultation. We have the right to charge you our then-current tuition fee as published in the Operations Manual (currently, $500 per person who attends training, per day). Also, you must pay all travel, lodging, meals, and other expenses we incur if we conduct the training away from our headquarters. (Franchise Agreement, Article 10)

4. If you refer a customer to another Placement Agency and that customer is placed by the Placement Agency in a Facility, we will use reasonable efforts to ensure that the Placement Agency benefitting from your referral pays to you the referral fee required under that Placement Agency's contract with us. (Franchise Agreement, Article 10)

5. In exchange for your payment of the Marketing and Technology Support Fee, we will provide you with one license for our CRM Software, up to two email addresses, and unlimited file support on Google Drive. We will also provide you with access to certain other technology products, like our website and full information technology support from our staff. We will also use the Marketing and Technology Support Fee to pay for our search engine optimization efforts for the System as a whole. (Franchise Agreement, Article 6)

6. We will guide you, in a progressive series of meetings with other new franchisees, in creating an initial marketing event to introduce you and your business to your senior provider community within the first year after you sign your Franchise Agreement ("Market Event"). We describe the Market Event later in this Item. (Franchise Agreement, Article 10).

7. Provide you with our "FastTrack to Market" support. We describe FastTrack to Market later in this Item. (Franchise Agreement, Article 6)

Post-Opening Optional Assistance. During the operation of your Placement Agency, we may:

8. Conduct up to: (a) one training or guest lecture webinar; and (b) one conference call, per month, during which we will discuss with you and other Placement Agencies new developments and present to you guest lecturers on issues relating to the operation of your Placement Agency.

9. Conduct annual or other periodic conferences and/or meetings for all franchisees and managers. We have the right to require you and your Designated Manager to attend these programs for up to three (3) days per year. We have the right to charge a fee we designate for any such meeting, which is currently up to $1,950 per attendee. If we designate such a meeting as mandatory, you must pay us the meeting fee regardless of whether you actually attend. (Franchise Agreement, Article 10)

10. Advise you of operating problems found at your Placement Agency by disclosing them through reports submitted to or inspections made by us. We may furnish to you such guidance and assistance in connection with the operation of your Placement Agency as we deem appropriate. (Franchise Agreement, Article 10)

11. Coordinate the presence of the System on the Internet, including but not limited to e-commerce, web site use, social media and networking sites, and cyberspace applications. This includes all national, regional, state, and local websites regarding Placement Agencies and our franchisees. We will have sole discretion and control over the design and contents of any website. For so long as you are not in default of the Franchise Agreement, we will list your Placement Agency location on our Internet website. We reserve the right to de-list or remove your Placement Agency from the website if you are not in compliance with the terms of the Franchise Agreement. We also have the right to control all use of social media by you that mentions or uses the Marks. (Franchise Agreement, Article 7)

12. We are responsible for all product research and development, on which you may provide input and recommendations. We will periodically make changes to the products that we authorize and require you to sell at your Placement Agency. (Franchise Agreement, Article 9)

There is no specified date or period for us to complete our obligations stated above. Other than those mentioned above, we do not provide other supervision, guidance, or services during the operation of your Placement Agency. We do not assist franchisees in establishing prices such as setting minimum and/or maximum prices at which the franchisee must sell products and services.

Advertising

Market Event; FastTrack to Market

Our Franchise Support and Training Department will guide you, in a progressive series of meetings with other new franchisees, in creating your Market Event to introduce you and your business to your senior provider community ("Market Event"). You are required to budget up to $5,000 on this event. This must be executed within your first year of business. We will determine the exact dollar amount of your required Market Event after assessing your Territory and the area surrounding your Placement Agency, and considering other potentially relevant factors, such as prevailing costs of advertising in the area, content of the promotion, sponsorships, the time of year of opening and other similar factors.

You are also required to spend a minimum of $10,000 within your first year of operation in local marketing initiatives to bring in potential clients for placement and consulting services for our FastTrack to Market program. Working with our Marketing Team, you will implement advertising and marketing initiatives in your local marketing to bring in potential clients for placement and consulting services.

Local Advertising

We may conduct national or regional marketing initiatives or promotions with networks of hospitals or assisted living facilities, and if any such network has a presence in your Territory, we have the right to require you to: (a) spend money on advertising or public relations efforts to participate in such national or regional promotions; or (b) offer discounted rates or fees as part of such initiatives or promotions. We will not require you to spend, or provide rate or fee discounts amounting to, more than $5,000 towards such an initiative or promotion on an annual basis.

All of your advertising, promotion, and marketing must be completely clear, factual, and not misleading, and must conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we periodically require. We require you to obtain our approval before you conduct any advertising on the Internet.

Before you use them, you must send us or our designated agency for review samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved. If you do not

receive written disapproval from us within five (5) days after we receive the materials from you, they are deemed to be disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have disapproved (Franchise Agreement, Article 8.2).

Marketing & Technology Fee

The Marketing and Technology Support Fee you pay us is partially allocated towards marketing initiatives, including website development and email marketing. Upon written request, we will provide you with a breakdown of how the Marketing and Technology Support Fee has been used, including allocations for marketing, technology, and support services. We do not audit the total use of each franchisee's Marketing and Technology Support Fee. We do not regularly audit the total use of each franchisee's Marketing and Technology Support Fee but do internally track and monitor the total use of such fee. We make no representations or guarantees as to whether that advertising will directly benefit your Placement Agency.

For 2024, we collected a total of eight hundred eleven thousand two hundred and ninety dollars ($811,290) in Marketing and Technology Support Fees from all franchisees. Of that amount, 62% was used for marketing (websites, social media, public relations, podcasts, email marketing, online leads, and marketing support), 18% was spent on our website and search engine optimization, and 20% was spent on SaaS products and cloud subscriptions.

The Marketing and Technology Support Fees are not used by us to solicit new franchise sales. All franchisees under this franchise offering will be assessed the same fee, but franchisees that commenced operations in prior years under earlier franchise offerings may pay a lower Marketing and Technology Support Fee. All franchisees receive comparable services regardless of the total amount paid as Marketing and Technology Support Fees. Locations owned by us also pay Marketing and Technology Support Fees at the same rate as other franchisees that commenced operations during the same year.

Advertising Programs

Other than our advertising and marketing-related uses of the Marketing and Technology Support Fee, we do not have an advertising program for the franchise system. We do not have an advertising council comprised of franchisees, but we reserve the right to create one. We do not require you to participate in a local or regional advertising cooperative. We do not require you to participate in any advertising fund or program.

Computer System

You must purchase and use in your Placement Agency a Computer System meeting our requirements, if you do not already own the computer equipment we require. The Computer System will consist of the items below:

HARDWARE
Computer with Windows or Macintosh operating system (any version)
1 Smartphone with App capability per admin employee (with data services enabled)
Approved Phone System and 1 phone per employee
Color Printer and Scanner
REQUIRED SOFTWARE
Quickbooks Pro/Quickbooks online (current edition compatible with our reporting software).
Operational Software (currently Salesforce) – proprietary to Senior Care Authority
Google Workspace

We will provide you with access to Salesforce and Google Workspace, which includes Google Drive and Corporate Gmail.

We estimate that the cost of purchasing or leasing the Computer System will range from $0 to $3,000 (depending on whether you already own equipment meeting our standards). If you lease your equipment, the monthly leasing fee will depend on factors such as lease term, lease rate, down payment, residual value, credit worthiness of lease. You will also be required to pay us a monthly Marketing and Technology Support Fee (presently $950 a month, plus an additional $200 per month for each additional contiguous Marketing Area) for access to certain of the software products, including the CRM Software. The Marketing and Technology Support Fee is also allocated towards marketing initiatives, including website development and email marketing. You may obtain information regarding the use of the Marketing and Technology Support Fee at any time by submitting a written request to us. We do not regularly audit the total use of each franchisee's Marketing and Technology Support Fee but do internally track and monitor the total use of such fee. For 2024, we collected a total of eight hundred eleven thousand two hundred and ninety dollars ($811,290) in Marketing and Technology Support Fees from all franchisees. Of that amount, 20% was spent on Technology (SaaS products and cloud subscriptions).

You will be responsible to upgrade or update the Computer System during the term of the franchise, to ensure the system adheres to the most current software versions and software license terms.

We reserve the right to require you to upgrade or update the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We have independent, unlimited access to the information generated by the Computer System. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop and maintain, on your signing of a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights concerning, the software or technology.

Neither we, nor any affiliate or third party, will be obligated to provide ongoing maintenance, repairs, upgrades or updates for the Computer System. We currently do not require that you purchase a maintenance, repair, upgrade or update service contract for the Computer System, but we reserve the right to do so in the future. The annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be dictated by the Computer System or Information Technology supplier, which we estimate to be $2,000 annually.

You are required to use the Computer System to record all revenue received by your Placement Agency, and we will have the unlimited right to independently access all of the information that is generated or stored on your Computer System. There are no limitations on the type of information we can access, or the times or frequency of when we access such information. No compatible equivalent component or program has been approved by us. (Franchise Agreement, Article 11).

Operations Manual

We give you electronic access to the Operations Manual after you sign the Franchise Agreement. Any required standards in the Operations Manual exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable

alternative may exist. In order to protect our interests in the System and Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

We may modify the Operations Manual at any time. The approximate total number of pages is 250. The number of pages devoted to each topic is reflected in the Table of Contents. We will notify you if there are any changes made to the policies or procedures so that you can comply. We disclose the Table of Contents to the Operations Manual as Exhibit D to this Franchise Disclosure Document. (Franchise Agreement, Article 9).

Training Program

Our initial Training Program on the System, System guidelines, and operational and brand standards (the "Training Program") is self-paced and typically lasts for approximately six to eight weeks, depending on your progress and performance. Phase One of our training program is the Certified Senior Advisor (CSA) certification, which typically takes approximately 3-4 weeks to complete, depending on individual study and time commitment. Our Onboarding Specialist will guide you through this process, which is available as an online program or in an in-person classroom learning environment.

You will also be required to attend an eight-hour, one-day online class to receive your Certified Dementia Practitioner (CDP) credential. The team at Senior Care Authority will assist you in applying for and signing up to attend. This credential is offered online or in person by the National Council of Certified Dementia Practitioners.

During the Training Program, you will have one-on-one coaching sessions delivered by corporate personnel and seasoned franchisees. We do not train or assist in training your employees or independent contractors. You will be responsible for hiring, training, directing, scheduling, and supervising your employees and independent contractors in the day-to-day operations of the Business.

The cost of the Training Program is included in your Onboarding Fee. You and your Designated Manager must complete the Training Program to our reasonable satisfaction, as determined by the specific program instructors listed in the training schedule below. You and your employees are welcome to attend and/or retake the Training Program or any other training program we create at any time. Prior to permitting your employees/contractors to attend, you must have each employee/independent contractor sign a Confidentiality Agreement (Exhibit H) and Franchise Relationship Acknowledgement (Exhibit I).

If you ask us to permit your new hires to attend the Training Program, or if we believe that one of your employees has not been adequately trained by you, we reserve the right to require that such person attend the Training Program.

If you request that we provide any part of the Training Program or one-on-one coaching to you in person, we will ask you to reimburse us for our travel, lodging, and other costs related to our providing in-person training.

We plan to provide the training listed in the table below. This training schedule is detailed in the Operations Manual and will change from time to time (Franchise Agreement, Articles 9 and 10). We may modify the Training Program, the frequency of training, and the location of your training at any time. If you purchased your Franchised Business via a resale, your training may be adjusted to account for support and assistance provided to you from the transferring franchisee.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
CSA Certification	20	0	Online, phone or at your location
CDP Certification	8	0	
Operations	20	0	
Technology/CRM	8	3	
Field Marketing	3	20	
Marketing	20	0	
Eldercare Consulting	22	0	
TOTALS	101	23	

The "classroom" training above refers to video lectures and web-based presentations, which will be available for your review post-training. Throughout your training, you will participate in one-on-one coaching sessions on various key operational topics (sometimes in groups of two or three new franchisees). Our trainers are highly experienced and successful franchisees, working under the guidance of our Senior VP of Franchise Support and Training.

"On-the-Job Training" refers to in-person coaching and training conducted at your place of business or within your Territory, or via phone and live webinar, upon completion of your online training. In addition to your assigned coaching during the initial training period, all new franchisees are assigned a peer mentor for their first 90 days after opening their business at no charge (SCA covers the cost).

Instructional materials for all topics of training will consist of manuals, videos, PDF documents for you to download, and other online resources.

Our Trainers

Frank Samson - *Trainer for All Training Topics*
Frank Samson is our founder. He was the founder and president of InHouse Travel Group in Chicago that he franchised in 1995. Frank is a Certified Senior Advisor and member of the Society of Certified Senior Advisors.

Mark Molnar – Trainer for All Training Topics
Mark Molnar is our President and COO and a Senior Care Authority franchise owner since November 2018. Mark has had over 15 years' experience with Salesforce and other CRM programs.

Marcy Baskin - *Trainer for All Training Topics*
Marcy is a Certified Senior Advisor, Certified Dementia Practitioner, and a Certified Alzheimer's Disease and Dementia Care Trainer. Marcy's business experience is disclosed in Item 2.

Rob Gandley – *Trainer for All Digital Marketing*
As Digital Marketing Trainer, Rob leads the development of new digital marketing technology, franchise and brand campaign development as well as sales training for Senior Care Authority franchisees. Rob's also honored to be a contributing author for The Franchise Bible, 9th Edition, on how marketing AI technology is shaping the future of franchise marketing. Rob's business experience is disclosed in Item 2.

We may also feature other guest lecturers, who will have extensive experience in the senior care industry including nursing, geriatrics, assisted living, hospital administration, in-home care, dementia specialists, elder law, hospice, senior move management, financial planning and long-term care insurance. Each instructor will have a minimum of five (5) years of experience in her or his field.

Periodically, you, your Designated Manager or employees must attend refresher-training programs to be conducted at our headquarters or another location we designate. Attendance at these programs will be at your expense. You do not have to attend more than 1 of these programs in any calendar year and these programs will not exceed 3 days during any calendar year. (Franchise Agreement, Article 10)

ITEM 12

TERRITORY

You will receive an exclusive territory. Your "Territory" will consist of one or more Marketing Areas. A "Marketing Area" is an area consisting of a minimum of 2,500 and maximum of 4,000 beds that are licensed by your state for the purpose of providing assisted living or memory care. If your Territory consists of multiple Marketing Areas, each one will consist of an area covering between 2,500 and 4,000 beds.

The Franchise Agreement specifies that we will not establish, nor license another party to establish, another Placement Agency under the System within the Territory, which will be identified on Addendum 1 to your Franchise Agreement. This proximity protection will remain for the initial franchise term.

We will identify your Territory. The exact size of your Territory will depend on several factors, including but not limited to the geographic location of your Placement Agency, population density, demographics, the number of licensed Facilities, and the number of beds associated with those Facilities. In determining the total number of beds within each Marketing Area, we consult the state department of social services or similar governmental entity in your state that approves assisted living facilities.

The franchise is not for a specific location or a location to be approved by us. You will operate your Placement Agency only within the Territory. You will not have the right to relocate your Placement Agency to anywhere outside of the Territory without our written approval, which we may withhold in our sole discretion.

We may grant you, in our sole discretion, the right to sell or service customers, or place customers in Facilities, located in an area adjacent to your Territory (an "Unassigned Area") that has not been sold to, or is not being serviced by, another Placement Agency. You must, within ten (10) days of receiving written notice from us, stop all sales and service efforts within the Unassigned Area.

You may use, reference or promote the Senior Care Authority Marks or System in connection with social media networks or platforms, but you may do so only with our approval. You are not permitted to have an individual website for your Placement Agency, but (so long as you are complying with the Franchise Agreement) we will provide you with a website that we will control.

Your Territory will not be altered during the initial term of the Agreement if there is a population increase or decrease. Your territorial exclusivity is not contingent on achieving specific sales volumes, market penetration, or other performance metrics. However, we have the right to terminate the Franchise Agreement if you fail to place any customers at a Facility for an uninterrupted six-month period. We have the right to terminate our grant, or reduce the size, of your Territory if you default under the Franchise Agreement for, among other things, failing to maintain our standards or failing to pay the Royalty and other fees when they become due. We will also have the right to reduce the size of your Territory if you have not

complied with the Development Schedule for your Marketing Areas described below. Otherwise, your territorial exclusivity is not dependent upon achievement of a certain sales volume, market penetration or any other contingency.

On renewal, acquiring a successor franchise, or transferring your franchise, your Territory may be modified. Depending on the then-current demographics of the Territory, and on our then-current standards for territories, if the Territory is larger than our then-current standard territory, we may require you or the transferee to accept a successor franchise territory or a transfer territory smaller than the Territory.

Multiple Marketing Areas

We may offer the right for you to operate in multiple Marketing Areas. If you purchase those rights, your Territory will consist of all Marketing Areas that you purchase. Upon completing the Initial Training Program, you will commence marketing and operations in your first designated Marketing Area. Additionally, you will receive a Development Schedule outlining specific deadlines (referred to as the "Marketing Deadline") for initiating marketing and operations in any additional Marketing Areas you choose to purchase.

After completing training, you will focus on your first Marketing Area. We will provide you with a Development Schedule that outlines the Marketing Deadline for each additional Marketing Area you acquire. If you miss a Marketing Deadline, we will give you notice and 30 days to rectify the situation by beginning marketing and operating in the specified Marketing Area. If you do not cure the failure within the 30-day period, we reserve the right to terminate your exclusivity and operating rights in any Marketing Areas where you have not yet commenced marketing and operations. In such cases, your Territory will be adjusted to include only those Marketing Areas where you have already initiated operations.

Limitations on Territorial Rights

Except as stated above, we and our affiliates retain all rights in the Territory for engaging in any activities we deem appropriate whenever and wherever we desire, including, but not limited to the following rights:

(1) The right to establish or operate or license any other person or entity to establish other facilities, businesses, kiosks, outlets, or Internet websites under trademarks or names other than the Marks that offer or sell products or services that are different from those offered at Senior Care Authority® Placement Agencies, inside or outside of your Territory.

(2) The right to advertise or market (or to permit other Placement Agencies to advertise or market) the System or Marks within your Territory.

(3) The right to provide, offer and sell and to grant others the right to provide, offer and sell goods that are identical or similar to and/or competitive with those provided at Placement Agencies, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including retail stores which may include Senior Care Authority®-branded retail stores, hardware stores, the Internet, and electronic media) both inside and outside your Territory and on any terms and conditions we deem appropriate.

(4) The right to operate, and to grant others the right to operate Placement Agencies located anywhere outside your Territory under any terms and conditions we deem appropriate and regardless of proximity to your Placement Agency.

(5) The right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Placement Agencies, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licenses of these businesses) are located or operating (including in your Territory). We will not, however, permit any such service-based business located within your Territory to operate under our Marks.

(6) The right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Placement Agencies, or by another business, even if such business operates, franchises, and/or licenses competitive businesses within your Territory. We will not, however, permit any such service-based businesses located within your Territory to operate under our Marks.

You may not proactively advertise products or services outside of your Territory, but you may service customers or place customers in Facilities outside of your territory if there is not a Senior Care Authority franchise in that territory. If you find customers for placement in a Facility that is outside of your Territory but inside the territory of another Placement Agency, you must refer the customer to the applicable Placement Agency. That Placement Agency will be required in its agreement with us to pay you a referral fee from the commission it receives from the Facility. The exact amount of the referral fee will be subject to your and their agreement. The referral fee is discussed in Item 6 and outlined in the Operations Manual.

Other than the referral fee discussed above, neither we nor any other Placement Agency is required to pay you if we or they exercise any of the rights specified above within your Territory.

Right of First Refusal

You will not have the right of first refusal to acquire additional franchises within your Territory. We do not customarily grant to franchise owners options, rights of first refusal or similar rights to acquire additional franchises outside of their respective territories.

Other Franchise Systems

Although we and our affiliates have the right to do so (as described above), neither we nor our affiliates have operated or franchised, and currently have no plans to operate or franchise, other businesses selling or leasing similar products or services under different trademarks. If we or our affiliates purchase, merge, acquire, are acquired by or affiliate with an existing competitive franchise network, chain or any other business, then we or our affiliates will have the right to operate, franchise or license those businesses and/or facilities under marks different than the Marks in your Territory.

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ITEM 13

TRADEMARKS

Under the Franchise Agreement, we grant you the nonexclusive right to use our Marks in connection with the operation of your Placement Agency. You may also use our other current or future trademarks to operate the Placement Agency. We have registered, or applied to register, the following marks on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"):

Trademark	Registration Number Registration Date	International Class of Goods
Senior Care Authority (Word Mark)	4141220 May 21, 2012; renewed February 2, 2022	43, 45

We have filed all required affidavits relating to the registered Marks shown above. We intend to renew the registration for the Marks at the times required by law.

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

There are presently no effective determinations by the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, the Trademark Administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or material litigation involving the Marks. We are unaware of any infringing uses that could materially affect your use of our Marks.

You will have the right to use all of our Marks in the operation of your Placement Agency. However, you must use the Marks only for the operation of your Placement Agency and in the manner authorized by us. You cannot use the names or Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our Marks in connection with the sale of unauthorized goods or services, or in a manner not authorized in writing by us.

You must notify us immediately in writing of any apparent infringement or challenge to your use of our trademarks. We have the sole discretion to take such action as we deem appropriate. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving our Marks.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition resulting from that use.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Marks, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions for such modification, discontinuance, or substitution within a reasonable time after you receive notice from us. You, in connection with the use of a new or modified mark, may be required, at your own expense, to

remove existing signs from your Placement Agency, and to purchase and install new signs. We do not have to reimburse you for the costs you incur for making these changes.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents are material to the franchise.

We claim copyright protection of the Operations Manual and related materials and other brand identity/marketing/advertisement/promotional materials, although such materials may not have been registered with the United States Copyright Office. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the Copyright Office (Library of Congress), or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. There are no infringing uses actually known to us, which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend any patent, trademark, or copyright.

Improvements

If you or your employees make or acquire any improvements, including any enhancements, adaptations, derivative works, modifications or new processes ("Improvements") in the operation of your Placement Agency, you will grant-back exclusive rights in these Improvements to us in consideration of the grant of the franchise and without the payment of additional consideration. Improvements will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a "work-made-for-hire" for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights to the item.

We may include any Improvements we made or acquired in the System, including any and all intellectual property rights of ours and affiliate or services and products of the Placement Agency, Operations Manual and the System for use by all franchisees, us or any affiliate. If we seek patent protection or copyright registration for any Improvements, we will do so at our own expense. You will sign or have the creator sign all documents necessary to enable us to apply for intellectual property rights protection and to secure all rights to these Improvements. You will have each of your employees sign an agreement requiring employee cooperation with these requirements. You must obtain our express written consent before making any modification or derivative work.

Confidential Information

We possess certain confidential information including the methods, techniques, formats, specifications, procedures, information, systems and knowledge of and experience in the operation and franchising of the System (the "Confidential Information"). We will disclose certain of the Confidential Information to you during the training programs, seminars and conventions, in the Operations Manual and in guidance furnished to you during the term of the Franchise Agreement.

The Franchise Agreement provides that you will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of a Placement Agency during the term of the Franchise Agreement, and that the use or duplication of the Confidential Information in any other business would constitute unfair competition. You also agree that the Confidential Information is proprietary to us and is disclosed to you solely on the condition that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures required by us to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure of Confidential Information to employees of your Placement Agency.

The Operations Manual will at all times remain our property exclusively. We may revise the Operations Manual, and you must comply with each new or changed standard, although these new and changed standards will not materially affect your rights and responsibilities under the Franchise Agreement.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Placement Agency must at all times be under your or your Designated Manager's direct, day-to-day, full-time supervision. If you are a legal entity, you must have a Designated Manager, approved by us. Your Designated Manager does not need to have any equity interest in you. You and your Designated Manager will be required to attend and successfully complete our Training Program. If your Designated Manager is unable to complete (or pass) our Training Program, we will require you to designate an alternative manager that must attend and pass the Training Program. You or your Designated Manager must use his or her best efforts in the operation of your Placement Agency.

If you are a legal entity, then all your directors, members, partners, and/or officers and any individual that owns an interest in you or the Franchise Agreement must sign our Owner Agreement assuming and agreeing to be personally responsible for all of the obligations of the Franchise Agreement, and agree to be bound by the confidentiality provisions and non-competition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interests. The required Owner Agreement is attached to the Franchise Agreement as Addendum 2. If you are married, we require your spouse to sign the Owner Agreement.

You must take all necessary precautions to ensure that the persons listed in the Franchise Agreement as owners of an equity interest, and any representatives and beneficial owners of the Franchise Agreement, sign the Owner Agreement, and you must forward a copy of these signed agreements to us. You also must ensure that your Designated Manager and any of your employees that have access to our trade secrets and confidential information each sign the Confidentiality/Non Competition Agreement (Exhibit H), and you must forward a copy of these signed agreements to us.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer for sale only services and products that have been approved and specified by us in the Operations Manual and any updates that are incorporated in the Operations Manual from time to time. You may not offer for sale any services or products not specifically approved by us in writing and you may not use your Placement Agency premises for any other purpose than the operation of a Placement

Agency and the sale of services or products approved by us. You must offer any products and/or services that we designate as required products and/or required services in the Operations Manual. There are no limits on our ability to make changes to the services or products we require you to sell.

You may not sell products or services within another franchisee's Territory. You may not sell products through other channels of distribution such as wholesale, Internet or mail order sales. You may not establish an account or participate in any social networking sites or mention or discuss the franchise, us or any of our affiliates, without our prior written consent and subject to our on-line policy.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 5.1	Agreement starts on the date it is signed and ends 10 years after the date you open your Placement Agency for business.
b. Renewal or extension of the term	Section 5.2	You are permitted to acquire an unlimited number of additional terms of 5 years each if you meet the requirements listed in Article 5 of the Franchise Agreement
c. Requirements for franchisee to renew or extend	Section 5.2	You may renew the Franchise Agreement by obtaining a successor franchise agreement upon complying with the following: Advance written notice, not later than 270 days or earlier than 365 days, of your intent to renew; sign most current form of Franchise Agreement which may contain materially different terms and conditions than your current Franchise Agreement, including a smaller geographic Territory; pay us a successor franchise fee of $7,500; have fully performed your obligations under the Franchise Agreement, including obligation to be current in payment of all monetary obligations to us, and not have committed two or more breaches of the Franchise Agreement during any 12-month period during the term; remodel your Placement Agency. Renewal refers to the process of entering into a new franchise agreement upon the expiration of the initial term or any subsequent renewal term, subject to the franchisor's approval and the franchisee's compliance with the conditions above. If you seek to acquire a successor franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	Section 17.6	You may terminate the Franchise Agreement by notice to us if we fail to perform material obligations. You must give us notice, and 60 days to cure or commence cure, subject to state law.

Provision	Section in Franchise Agreement	Summary
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	Section 17.1 – 17.3	We can terminate the Agreement, automatically or by notice to you, with or without a cure period, if you breach a material provision of the Franchise Agreement. We can terminate your rights to operate in any Marketing Area that form a portion of your Territory if you fail to being operating and marketing in that Marketing Area on or before the applicable Marketing Deadline.
g. "Cause" defined - curable defaults	Sections 17.3 and 17.4	You have 30 days after notice to cure breaches relating to your: (a) owners engaging in a dispute with one another (deadlock) that materially affects the operation of your Placement Agency, which dispute or deadlock remains unresolved after the expiration of the 30-day cure period; (b) failure to resolve customer complaints and/or disputes in a timely manner; or (c) failure to make a timely payment of any amount due to a supplier unaffiliated with us (other than payments which are subject to a bona fide dispute), and do not correct such failure within thirty (30) days after we deliver to you notice of your failure to comply You have 10 days after notice to cure breaches relating to your failure to obtain or maintain required insurance coverage. You have 5 days after notice to cure breaches relating to your failure to pay us or our affiliates any amounts owed, or your failure to pay any amounts for which we have advanced funds for or on your behalf, or upon which we are acting as guarantor of your obligations. You will have 30 days after notice to cure any breaches of the Franchise Agreement not listed in Sections 17.1, 17.2, or 17.3, or to begin marketing and operating in a Marketing Area where you have not started marketing or operating.
h. "Cause" defined – non-curable defaults	Sections 17.1 and 17.2	Your Franchise Agreement will terminate automatically, without your ability to cure any defaults, if you: (a) Become insolvent or make a general assignment for the benefit of creditors; (b) File a petition in bankruptcy, or such a petition is filed against you and you do not oppose it, or are adjudicated as bankrupt or insolvent. (c) Have a bill in equity or other proceeding for the appointment of a receiver of (1) you; (2) the Franchised Business; or (3) another custodian for your business or assets, is filed or consented to by you, or if a receiver or other custodian (permanent or temporary) of your assets or property, or any part of them, is appointed by any court of competent jurisdiction. (d) Have proceedings for a composition with creditors under any state or federal law instituted by or against you. (e) Have a final judgment against you in the amount of twenty five thousand ($25,000) dollars or more that remains unsatisfied or of record for thirty (30) days or longer. (f) Dissolve or liquidate. (g) Have execution levied against your business or property.

Provision	Section in Franchise Agreement	Summary
		(h) Have the real or personal property of the Franchised Business sold after levy by any sheriff, marshal, or constable, or foreclosed upon. You will not have an opportunity to cure defaults, and we are entitled to terminate the Franchise Agreement upon notice, if you: (i) Fail to open your Placement Agency on or before the date required under the Franchise Agreement; (j) Abandon your Placement Agency or fail to keep it open for a period of five (5) consecutive days, unless it is for a reason beyond your control; (k) Or any of your managers, officers, members, directors, or owners are convicted of or plead no contest to a felony or other criminal misconduct relevant to the operation of your Placement Agency; (l) Make an unauthorized transfer of the business; (m) Fail to comply with any material federal, state, or local law or regulation applicable to the operation of your Placement Agency; (n) Make any material misrepresentations relating to your acquisition of the franchise or in connection with the operation of the franchise including any intentional understatement of revenue or failure to report revenue; (o) Violate any covenant not to compete or relating to confidential information; (p) Submit on two or more occasions during the term financial information which understates your Gross Revenue by more than 2%, unless you demonstrate that such understatement resulted from inadvertent error; (q) Engage in any activity that has a material adverse effect on the System or the Marks; (r) Receive from us 2 or more notices of default under the Franchise Agreement within a 12 month period regardless of whether you cured those defaults; (s) Challenge the validity of, materially misuse, or make any unauthorized disclosure, use, or duplication of our Confidential Information or our Marks; (t) Or any of your owners, officers, directors, managers, members, agents, or employees make any misrepresentation relating to, or violate, the United States' laws against terrorism; (u) Or your affiliates breach the terms of any other agreement with us or our affiliates, which default remains uncured after the expiration of any applicable cure period; (v) Fail to place any customers at a Facility for an uninterrupted six month period; (w) Are absent from two (2) consecutive mandatory training courses, conferences, or conventions, and do not cure this default by attending all of the mandatory training courses, meetings, conferences, and conventions within the 12-month period following our notice to you of your default under this provision.

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Articles 16 and 18	Upon termination you must cease operating as a Placement Agency, not compete with us, not use our confidential information (including relationships with assisted living facilities), pay all sums due us, cease to use the Marks, assign the lease to us at our request, cancel any fictitious name which contains the Marks, turn over all Operations Manual, records, files and any materials relating to the operation of your Placement Agency, cancel or transfer all telephone numbers and directory listings to us, comply with all covenants, and pay us liquidated damages.
j. Assignment of contract by franchisor	Section 15.1	We may transfer all or any part of the System, the Franchise Agreement, or the Marks without your consent.
k. "Transfer" by franchisee – defined	Section 15.2	Includes transfer of contract, your Placement Agency, any portion of your Territory (including one or more Marketing Areas), assets, change of any portion of your ownership (if you are a legal entity)
l. Franchisor approval of transfer by franchisee	Section 15.3	You cannot engage in a transfer without our consent.
m. Conditions for franchisor approval of transfer	Section 15.3	We have the right to condition our approval of any transfer proposed by you upon the following: (a) You must be in full compliance with the Franchise Agreement and pay all outstanding fees owed to us or our its affiliates; (b) We must have declined our right of first refusal; (c) Your transferee must have completed the Training Program to our satisfaction; (d) Your transferee must execute our then-current form of franchise agreement, or assume your existing franchise agreement (at our option); (e) You must pay us a transfer fee of: (i) $5,000 per Marketing Area for a transfer to an existing franchisee of ours; or (ii) $15,000 for a transfer to a new franchisee, plus an onboarding fee of twelve thousand seven hundred fifty dollars ($12,750). (f) You and your owners must execute a general release of all claims against us, our affiliates, and shareholders, officers, directors, employees, agents, successors, and assigns; (g) Your transferee must assume all of your liabilities and obligations relating to your Placement Agency; (h) You must execute a written agreement not to compete in favor of us and your transferee, with terms the same as those contained in your Franchise Agreement; (i) If any part of the sale price is financed, you must agree that all obligations of the transferee under any promissory note or financing statement will be subordinate to its obligations to pay amounts due to us and our Affiliates. (j) You and your transferee must work out a transition plan to address the needs of your current and prospective customers. (k) If your sale is to a person or company to whom we introduced you, you must pay us a resale assistance fee in an amount we specify.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 15.4	You must give us written notice of intent to sell or otherwise transfer the Franchise Agreement. We have 60 days from the date that you give us written notice to determine whether we will exercise our right of first refusal. We can match any bona fide written offer for your Placement Agency.

Provision	Section in Franchise Agreement	Summary
o. Franchisor's option to purchase franchisee's business	Section 18.6	At termination or expiration of the Franchise Agreement, we have the option to purchase your assets for fair market value. The fair market value will be determined by an independent Placement Agency equipment supplier we select.
p. Death or disability of franchisee	Sections 15.6 and 17.8	The estate of the deceased or incapacitated person must, within one hundred eighty (180) days from the date of death or disability, appoint a new Designated Manager. If that does not happen, we can exercise our Step-In Rights and operate your Placement Agency until a new Designated Manager is appointed.
q. Non-competition covenants during the term of the franchise	Section 16.4	You must not be in a competing business anywhere and must not attempt to divert customers of your Placement Agency to any competitive business. Unless we agree otherwise in writing, you may have no involvement in any business that: (i) sells or offers to sell services the same as or similar to the type of services sold in Placement Agencies (including but not limited to the Authorized Services); or (ii) sells or offers to sell products the same as or similar to the type of products sold in Placement Agencies (including but not limited to the Authorized Products), other than a Placement Agency operated under a valid Franchise Agreement with us.
r. Non-competition covenants after the franchise is terminated or expires	Sections 16.5 and 16.6	You will not engage in a competing business within twenty-five (25) miles of your former Territory, or within twenty-five (25) miles of the Territory of any Placement Agency, for a period of 2 years after your Franchise Agreement is terminated. You may have no involvement in any business that: (i) provides or offers to provide services the same as or similar to the type of services sold in Placement Agencies; or (ii) sells or offers to dispense products the same as or similar to the type of products sold in Placement Agencies. You must not solicit customers or employees of your Placement Agency or any other Placement Agency for a period of two (2) years. Except in the operation of a Placement Agency under a valid franchise agreement, you may not use our Trade Secrets in any business or other endeavor after your Franchise Agreement is terminated or expires. You must completely disassociate yourself from the Marks and return the Operations Manual and other confidential materials provided to you by us. You may not divert any business from us or seek to employ any of our employees or franchisees. You must also cancel or transfer all telephone numbers and directory listings to us.
s. Modification of the agreement	Section 20.3	Changes to the Franchise Agreement must be made in writing and agreed to by both parties.
t. Integration/merger clause	Section 20.13	Only the terms of the Franchise Agreement are binding (subject to state law). Nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document. Any representations or promises outside the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 19	Subject to federal and your state's law, all disputes, except as explicitly listed in the Franchise Agreement, must first be submitted to non-binding mediation in accordance with the commercial mediation rules of the American Arbitration Association ("AAA"). If the mediation is not successful, then the dispute must be submitted to arbitration before the AAA.

Provision	Section in Franchise Agreement	Summary
v. Choice of forum	Section 19.10	Subject to applicable state law, any litigation must be pursued in courts located in Las Vegas, Nevada. See any state-specific addendum attached in Exhibit F.
w. Choice of law	Section 19.1	Federal trademark law, and other federal laws govern where applicable. The laws of your state will apply to interpret your covenants not to compete with us and to not use our confidential information. Otherwise, Nevada law applies, except where individual state laws supersede, as reflected in any state-specific attachment to the Franchise Agreement, subject to applicable state law.

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

The financial information provided in the following tables represents the actual range of performance of our franchise-owned Placement Agencies for the periods specified in the tables below. We obtained the data in this Item 19 from the Gross Sales numbers reported to us by franchisees through the Computer System. The numbers have not been audited, but we have no reason to doubt their accuracy. Written substantiation for the financial performance representation will be made available to prospective franchisees upon reasonable request.

Data from those placement agencies that have been marketing their franchise for more than six months, full-time, by the franchisee Placement Agencies or its manager are presented below (a total of 56 Placement Agencies). We have not included information from franchise Placement Agencies where the franchisee or its manager does not spend her or his full time operating the Placement Agency in 2024 (a total of 6 Placement Agencies). We do not include Placement Agencies that are not operating full-time because we no longer will accept any franchisee who does not intend to spend his or her full time operating the Placement Agency, or who will not hire a manager to do so. As a result, we believe that including information from part-time franchisees in this Item 19 would present an inaccurate picture of System financial performance information for the purposes of this Item. There are no characteristics of the Placement Agencies included below that may differ materially from those of a new franchisee's outlet.

Annual Gross Sales of Franchised Placement Agencies With Multiple Marketing Areas*
Calendar Year 2024 (Total of 15 Placement Agencies)

No. Months Since Beginning Marketing	%/# of Franchisees	Gross Sales Range	Average Gross Sales	% Exceeding Average	Median Gross Sales	% Exceeding Median
54+ months	40.00% (6)	$139,770 - $1,149,878	$464,419	33.33% (2)	$360,175	50.00% (3)
43-54 months	13.33% (2)	$81,042 - $564,638	$322,840	50.00% (1)	$322,840	50.00% (1)
31-42 months	13.33% (2)	$78,446 - $172,797	$125,622	50.0% (1)	$125,622	50.00% (1)
19-30 months	13.33% (2)	$24,855 - $127,822	$76,339	50.0% (1)	$76,339	50.00 % (1)
6-18 months	27.94% (19)	$8,085 - $11.500	$10,038	66.66% (2)	$10,530	66.66% (2)

*Prior to 2024, our franchise structure involved offering "Multi-Unit" franchises. In this structure, each "territory" (now referred to as a "Marketing Area") was granted through a separate franchise agreement. Each Placement Agency listed above was structured this way. Functionally, these "Multi-Unit" franchises are similar to a single franchise with multiple Marketing Areas. Starting in 2024, we began offering multiple Marketing Areas within a single franchise agreement. Collectively, these Marketing Areas are referred to as a "Territory." Therefore, what we previously called a "territory" is now known as a "Marketing Area."

Annual Gross Sales of Franchised Placement Agencies
With a Single Marketing Area*: Calendar Year 2024
(Total of 41 Placement Agencies)

No. Months Since Beginning Marketing	%/# of Franchisees	Gross Sales Range	Average Gross Sales	% Exceeding Average	Median Gross Sales	% Exceeding Median
54+ months	28.57% (12)	$121,125 - $524,553	$278,404	58.33% (7)	$288,817	50.00% (6)
43-54 months	11.90% (5)	$134,654 - $380,685	$214,816	40.00% (2)	$175,322	60.00% (3)
31-42 months	14.29% (6)	$90,540 - $210,654	$150,447	50.00% (3)	$105,743	50.00% (3)
19-30 months	16.67% (7)	$71,307 - $181,229	$126,268	42.85% (3)	$85,718	42.85% (3)
6-18 months	28.57% (12)	$35,932 - 118,568	$77,250	33.33% (4)	$52,189	33.33% (4)

*Prior to 2024, our franchise structure involved offering "Multi-Unit" franchises. In this structure, each "territory" (now referred to as a "Marketing Area") was granted through a separate franchise agreement. Each Placement Agency listed above was structured this way. Functionally, these "Multi-Unit" franchises

are similar to a single franchise with multiple Marketing Areas. Starting in 2024, we began offering multiple Marketing Areas within a single franchise agreement. Collectively, these Marketing Areas are referred to as a "Territory." Therefore, what we previously called a "territory" is now known as a "Marketing Area."

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much. See the notes below, which are a material part of this Item.

1. Gross Sales. "Gross sales" includes all consideration, whether by cash, credit, in kind or otherwise, that the Placement Agency reported receiving.

2. Months Since Beginning Marketing. We require franchisees to complete the Initial Training Program, coaching, an on-site visit, and secure sufficient contracts with assisted living locations in their respective territory(ies) before they can initiate local marketing efforts. This process typically takes six months or longer. As a result, we measure our franchisees' financial performance from the time they begin marketing.

3. Legacy Franchisees May Have Larger Marketing Areas / Territories. Certain of our longstanding franchisees were granted larger Marketing Areas than the standard size for Marketing Areas (between 2,500 and 4,000 beds) that we grant now.

4. Change In Status of Ohio Franchises. Effective July 1, 2025, two entities in Ohio that were previously franchisees became affiliated with us. Their respective outlets will be reported as company-owned outlets beginning with the 2026 FDD, which will reflect outlet status as of December 31, 2025. During all of 2024, they were franchise outlets. They are considered affiliates as of July 1, 2025, for purposes of this Item.

The financial information provided in the following tables represents the actual range of performance of our franchise-owned Placement Agencies for the periods specified in the tables below. We obtained the data in this Item 19 from the Gross Sales numbers reported to us by franchisees through the Computer System. The numbers have not been audited, but we have no reason to doubt their accuracy. Written substantiation for the financial performance representation will be made available to prospective franchisees upon reasonable request.

Other than the representation given above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Frank Samson at 885 Tahoe Blvd., Incline Village, Nevada 89451 (888) 809-1231, or email: frank@seniorcareauthority.com.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1.

Systemwide Outlet* Summary for Years 2022 through 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	71	78	+7
	2023	78	100	+22
	2024	100	108	+8
Company-Owned	2022	4	4	0
	2023	4	2	-2
	2024	2	2	0
Total Outlets	2022	75	82	+7
	2023	82	102	+20
	2024	102	110	+8

* For the purposes of this Item 20, an "Outlet" means a Placement Agency operated by a single franchisee and may include multiple marketing areas.

TABLE NO. 2

Transfers of Outlets from Franchisees to New Owners (Other than Franchisor or an Affiliate) for Years 2022 through 2024

State	Year	Number of Transfers
Arizona	2022	2
	2023	0
	2024	0
California	2022	4
	2023	0
	2024	1
Florida	2022	1
	2023	0
	2024	0
Georgia	2022	1
	2023	0
	2024	0
Louisiana	2022	1
	2023	0
	2024	0
Minnesota	2022	2
	2023	0
	2024	0
New York	2022	0
	2023	0

State	Year	Number of Transfers
	2024	2
Totals	2022	11
	2023	0
	2024	3

TABLE NO. 3

Status of Franchised Outlets* for Years 2022 through 2024

State	Year	Outlets at Start of the Year	Outlets Added	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Alabama	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Arizona	2022	5	0	3	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
California	2022	16	2	0	0	0	1	17
	2023	17	11	0	0	0	2	26
	2024	26	0	0	0	0	2	24
Colorado	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	1	0	0	0	0	4
Connecticut	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Florida	2022	7	2	0	0	0	1	8
	2023	8	0	0	0	0	0	8
	2024	8	1	0	0	0	0	9
Georgia	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Idaho	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
Illinois	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
Indiana	2022	0	1	0	0	0	0	1
	2023	1	2	0	0	0	1	2
	2024	2	0	0	0	0	1	2
Iowa	2022	1	0	0	0	0	1	0
	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Kansas	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Louisiana	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2

State	Year	Outlets at Start of the Year	Outlets Added	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Maryland	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	1	1
Massachusetts	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Michigan	2022	1	1	0	0	0	0	2
	2023	2	1	0	0	0	1	2
	2024	2	3	0	0	0	0	5
Minnesota	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Missouri	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	1	2
	2024	2	0	0	0	0	0	2
Nebraska	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New Jersey	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
New York	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	0	6
North Carolina	2022	1	0	0	0	0	0	1
	2023	1	2	0	0	0	0	3
	2024	3	1	0	0	0	0	4
North Dakota	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Ohio**	2022	4	1	0	0	0	0	5
	2023	5	0	0	0	0	2	3
	2024	3	0	0	0	0	0	3
Oregon	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	1	0	0	0	0
Pennsylvania	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	3	0	0	0	0	5
South Carolina	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Tennessee	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Texas	2022	4	0	0	0	0	0	4
	2023	4	1	0	0	0	0	5
	2024	5	1	0	0	0	1	5
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

State	Year	Outlets at Start of the Year	Outlets Added	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2024	1	0	0	0	0	0	1
Virginia	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Wisconsin	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total Outlets	2022	71	13	3	0	0	2	78
	2023	78	24	0	0	0	2	100
	2024	100	15	1	0	0	6	108

* For the purposes of this Item 20, an "Outlet" means a Placement Agency operated by a single franchisee, and may include multiple marketing areas.

** Effective July 1, 2025, two entities in Ohio that were previously franchisees became affiliated with us. Their respective outlets will be reported as company-owned outlets beginning with the 2026 FDD, which reflects outlet status as of December 31, 2025. They are considered affiliates as of July 1, 2025, for purposes of this Item.

TABLE NO. 4

Status of Company-Owned Outlets for 2022 through 2024

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
California	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Michigan	2022	3	0	0	0	0	3
	2023	3	0	0	2	0	1
	2024	1	0	0	0	0	1
Total Outlets**	2022	4	0	2	0	0	4
	2023	4	0	0	0	2	2
	2024	2	0	0	0	0	2

** Effective July 1, 2025, two entities in Ohio that were previously franchisees became affiliated with us. Their respective outlets will be reported as company-owned outlets beginning with the 2026 FDD, which reflects outlet status as of December 31, 2025. They are considered affiliates as of July 1, 2025, for purposes of this Item.

TABLE NO. 5

Projected Openings for 2025 as of December 31, 2024

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
Arizona	0	1	0
California	0	2	0
Colorado	0	1	0
Connecticut	0	1	0
Delaware	0	1	0
Florida	0	1	0

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
Georgia	0	1	0
Illinois	0	2	0
Indiana	0	1	0
Iowa	0	1	0
Kentucky	0	1	0
Maryland	0	1	0
Massachusetts	0	1	0
Michigan	0	2	0
Minnesota	0	1	0
Mississippi	0	1	0
Missouri	0	1	0
Nebraska	0	1	0
New Hampshire	0	1	0
New Mexico	0	1	0
New York	0	1	0
North Carolina	0	1	0
Ohio	0	1	0
Oklahoma	0	1	0
Oregon	0	1	0
Pennsylvania	0	1	0
Rhode Island	0	1	0
South Carolina	0	1	0
Tennessee	0	1	0
Texas	0	1	0
Utah	0	1	0
Vermont	0	1	0
Virginia	0	1	0
Washington	0	1	0
West Virginia	0	1	0
Wisconsin	0	1	0
Wyoming	0	1	0
Totals	0	40	0

Other than as noted in this Item 20 and Exhibit J, no franchisee had an agreement terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year, or has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No Franchisees have signed a confidentiality clause in a Franchise Agreement, settlement agreement or other contract within the last three years that would restrict their ability to speak openly with you about their experience with us.

Our list of current franchisees is attached as Exhibit J-1. Our list of franchisees with agreements signed, but who are not yet open, is attached as Exhibit J-2. Our list of franchisees that left the system in 2024 is attached as Exhibit J-3.

We have not created, sponsored, or endorsed any trademark-specific organization of franchisees associated with our franchise system. No independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Attached to this FDD as Exhibit C is our audited financial statements as of December 31, 2022, December 31, 2023, and December 31, 2024. Our fiscal year ends on December 31st.

We are also attaching non-audited financial statements dated May 31, 2025.

ITEM 22

CONTRACTS

The contracts following this Item 22 are listed in the order in which they appear as exhibits to this Franchise Disclosure Document. At this time, these are the only contracts that we expect that we will enter into with a franchisee in any state, although we reserve the right to enter into different types of contracts with its franchisees as our business develops. As a prospective franchisee, you should obtain independent legal and financial advice concerning this franchise offering as you deem appropriate before making any commitment.

Exhibit B-1: the Franchise Agreement

Addenda to Franchise Agreement:

1. Information Regarding You and the Franchised Business; Territory
2. Owner Agreement
3. Electronic Funds Transfer Authorization

Exhibit E: Form of General Release
Exhibit F: State-Specific Addendum
Exhibit G: Compliance Questionnaire

We will not ask you to complete the Disclosure Questionnaire, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

Exhibit H: Confidentiality and Non-Compete Agreement
Exhibit I: Franchise Relationship Acknowledgement

ITEM 23

RECEIPTS

Two copies of an acknowledgment of your receipt of this Franchise Disclosure Document are attached to this Franchise Disclosure Document as Exhibit K. Please complete both copies, detach and return the copy marked "Our Copy" to us and keep the other copy in the Franchise Disclosure Document for your own records.

Senior Care Authority, LLC

EXHIBIT A

List of State Administrators and Agents for Service of Process

EXHIBIT A
LIST OF STATE AGENTS FOR THE SERVICE OF PROCESS AND STATE ADMINISTRATORS

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

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

State	Agents for Service of Process	Administrators
California	California Department of Financial Protection and Innovation: Sacramento 2101 Arena Boulevard Sacramento, CA 95834 Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013 San Diego: 1455 Frazee Rd., Suite 315 San Diego, CA 92108 San Francisco: One Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 (866) 275-2677 Website: www.dfpi.ca.gov email: ask.dfpi@dfpi.ca.gov
Connecticut	Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230
Florida	Division of Consumer Services Attn: Business Opportunities Florida Department of Agriculture and Consumer Affairs Mayo Building Tallahassee, FL 32399-0800	Senior Consumer Complaint Analyst Florida Department of Agriculture and Consumer Affairs Mayo Building, Second Floor Tallahassee, FL 32399-0800 (850) 922-2966 or (850) 488-2221
Georgia	Office of the Governor Office of Consumer Affairs 2 Martin Luther King Jr. Drive SE Plaza Level – East Tower Atlanta, GA 30334	Office of Consumer Affairs 2 Martin Luther King Jr. Drive SE Plaza Level – East Tower Atlanta, GA 30334

State	Agents for Service of Process	Administrators
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
Illinois	Illinois Attorney General Attorney General's Office 500 South Second Street Springfield, IL 62706	Chief, Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Secretary of State Administrative Offices of the Secretary of State 200 W. Washington St., Room 201 Indianapolis, IN 46204	Chief Deputy Commissioner Securities Divisions 302 West Washington Street Room E-111 Indianapolis, Indiana 46204 (317) 232-6681
Iowa	Securities Division Lucas State Office Building Des Moines IA 50319	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, IA 50319-0066 (515) 281-4441
Kentucky	Attorney General's Office Consumer Protection Division Capital Building Frankfort, KY 40601-01875	Attorney General's Office Consumer Protection Division Capital Building Frankfort, KY 40601-01875
Louisiana	[Not applicable]	Department of Justice Consumer Protection Office P.O. Box 94095 Baton Rouge, LA 70804-9095
Maine	[Not applicable]	Securities Division State House – Station 121 Augusta, ME 04333
Maryland	Maryland Securities Commissioner Securities Division 200 Saint Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360
Michigan	Michigan Department of Commerce Corporations and Securities Bureau 6546 Mercantile Way Lansing, MI 48909	Consumer Protection Division Antitrust and Franchising Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913
Minnesota	Minnesota Department of Commerce 85 7th Place East, Suite 280 Saint Paul, MN 55101 (651) 539-1500	Minnesota Department of Commerce 85 7th Place East, Suite 280 Saint Paul, MN 55101 (651) 539-1500

State	Agents for Service of Process	Administrators
Nebraska	[Not applicable]	Staff Attorney Department of Banking and Finance 1200 N. Street., Suite 311 PO Box 95006 Lincoln, NE 68509-5006 (402) 471-3445
New Hampshire	[Not applicable]	Office of the Attorney General Consumer Protection and Antitrust Bureau 25 Capitol Street State House Annex Concord, NH 03301
New York	Secretary of State 99 Washington Ave. Albany, NY 12231	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222
North Carolina	Securities Division Room 302 300 North Salisbury Street Raleigh, NC 27611	
North Dakota	North Dakota Securities Commissioner 5th Floor 600 East Boulevard Bismarck, ND 58505 (701) 328-4712	Franchise Examiner Office of Securities Commissioner 600 East Boulevard 5th Floor Bismarck, ND 58505 (701) 328-4712
Oklahoma	[Not applicable]	Oklahoma Department of Securities The Journal Record Building 621 N. Robinson Street Suite 400 Oklahoma City, OK 73102
Oregon	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
Rhode Island	State of Rhode Island and Providence Plantations Department of Business Regulation 1511 Pontiac Avenue, Bldg. 69-1 Cranston, Rhode Island 02920	State of Rhode Island and Providence Plantations Department of Business Regulation 1511 Pontiac Avenue, Bldg. 69-1 Cranston, Rhode Island 02920
South Carolina	Secretary of State Capitol Complex Brown Building 1205 Pendleton Street Room 510 Columbia, SC 29210	[Not applicable]

State	Agents for Service of Process	Administrators
South Dakota	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823
Texas	[Not applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769
Utah	[Not applicable]	Consumer Protection Division Utah Department of Commerce 160 East 300 South P.O. Box 48504 Salt Lake City, UT 84145-0804 (801) 530-6601
Virginia	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733	State Corporation Commission Division of Securities and Retail Franchising 1300 Main Street, 9th Floor Richmond, VA 23219
Washington	Washington Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501	Administrator Washington Dept. of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 (360) 902-8760
Wisconsin	Commissioner of Securities 345 W. Washington Street, 4th Floor Madison, WI 53703	Division of Securities Department of Financial Institutions P.O. Box 1768 Madison, WI 53701
Federal Trade Commission		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street NW Washington, DC 20580 (202) 326-3128

Senior Care Authority, LLC

EXHIBIT B

Franchise Agreement

Senior Living and Care Solutions

FRANCHISE AGREEMENT

SUMMARY
Effective Date
Franchisee's Name
Franchisee's Address
Initial Franchise Fee

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APPENDIX
Glossary of Terms

ADDENDA
1. Information Regarding You and your Placement Agency; Territory
2. Owner Agreement
3. Electronic Funds Transfer Authorization

FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is entered into on the Effective Date between Senior Care Authority, LLC, a limited liability company organized under the laws of Nevada ("**we,**" "**us,**" or "**our**"), and the person identified in **Addendum 1** to this Agreement ("**you**" or "**your**").

Introduction: This Franchise Agreement

This franchise agreement ("**Agreement**") is written in a conversational tone to make it easier to read. In the context of the Agreement, Senior Care Authority, LLC is referred to as "we," or "us." When we refer to things we own or obligations we have, we use the word "our." The person, persons, or legal entity that sign this Agreement are collectively referred to as "you," and the obligations you have or the things you own are referred to as "your." When we refer to "you" or "your," we are also referring to each and every one of your Owners and the obligations that each and every one of your Owners has to us. To further bind you and your Owners, we require each and every one of your Owners to sign the Owner Agreement, which is attached as **Addendum 2** to this Agreement.

In the Agreement, we sometimes capitalize the words we use. These are called "defined terms," and whenever we use one of them, we are referring to the definition we have assigned to the word. When a word appears in parentheses, quotes, and bold, we are informing the reader that the word has been defined by the text surrounding the word where it appears. At the end of the Agreement, in the **Appendix**, we have included for ease of reference a Glossary of Terms to help you easily locate the definition of a defined term.

The Agreement is organized into segments, articles, and sections. In the segment entitled "Recitals," we state the purpose for this Agreement. In the first article, entitled "Your Covenants, Understandings, and Representations," you are making certain representations and statements to us regarding you, your Owners, your understanding of this Agreement and the business relationship we are entering into with you, and your decision to enter into this Agreement with us.

RECITALS

A. We own a System for the establishment and operation of senior placement agencies assisting families and seniors to find ideal locations for the seniors to live, and helping them receive the necessary care and supervision for their daily living activities, operated under the Marks and the System (each, a "**Placement Agency**").

B. We have the right to license the Marks and the System.

C. You want to obtain the rights to use the Marks and want to be assisted, trained, and licensed by us, as our franchisee, to use the System and the Marks in the operation of your Placement Agency, and we are willing to grant you such rights under the terms and conditions of this Agreement.

You and we therefore agree as follows:

1. YOUR COVENANTS, UNDERSTANDINGS, AND REPRESENTATIONS

You understand, represent to us, certify, and agree to the following:

1.1. System Modifications. We reserve the right to modify any aspect or element of the System. This includes, but is not limited to, our right to: (1) modify, change or abandon the strategy on which Placement Agencies are currently based; (2) add or change the standards for client service and products; and (3) require the use of new or different equipment. Such changes will generally be communicated to you through the

Operations Manual. You will promptly accept and comply with any such addition, subtraction, revision, modification or change and make such reasonable expenditures as may be necessary to comply.

1.2. System Variations. Because complete uniformity under various market circumstances may not always be possible or desirable, we, in our discretion, reserve the absolute and exclusive right to vary the standards for any Placement Agency based upon the customs or circumstances of a particular market area, density of population, existing business practices or any condition that we deem to be of importance to the operation of such franchisee's Placement Agency. We, in our discretion, may enter into contracts with others for the operation of other Placement Agencies, which contracts may contain provisions that vary materially from this Agreement.

1.3. Accuracy of Information. You have ensured that all information you have submitted to us in connection with your application for this franchise was complete and accurate when you gave it to us. You represent to us that there have been no material changes in that information or other changes in material circumstances between the time you submitted the information to us and the Effective Date.

1.4. Permits, Licenses, and Legal Requirements. You understand that you will be required, under applicable Legal Requirements, to secure licenses and permission from the appropriate government authorities to operate your Placement Agency. It is your responsibility to familiarize yourself with all applicable Legal Requirements, and we have made no representations as to the nature of such Legal Requirements or your ability to qualify or comply with them.

1.5. Your Ownership. If you are a Business Entity, you represent that:

1.5.1. Every one of your Owners of a legal or beneficial interest in you of more than five percent (5%) or greater has signed the Owner Agreement, attached as **Addendum 2**.

1.5.2. You are duly organized and validly existing under the laws of the state of your organization, and you are duly qualified to transact business in the state in which your Placement Agency is located.

1.5.3. You have the authority to execute and deliver this Agreement and all related agreements and to perform your obligations under all such agreements.

1.5.4. Your organizing documents state that your activities are restricted to those necessary solely for the development, ownership and operation of a Placement Agency in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates.

1.5.5. The articles or certificate of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interests are restricted by the terms of this Agreement.

1.5.6. All certificates representing direct or indirect legal or beneficial ownership interests in you, now or later issued, do or will bear a legend that conforms with the Legal Requirements reciting or referring to such restrictions.

If you are an individual or sole proprietorship but later become a Business Entity, you must ensure that you comply with, and that your organizing documents are consistent with, each one of the above requirements and representations.

1.6. Disclosure of Ownership Interests. You and, if you are a Business Entity, each of your Owners represents, warrants and agrees that the provisions in **Addendum 1** that pertain to your Business Entity and its ownership is current, complete and accurate. You agree that updates or changes to **Addendum 1** will be furnished promptly to us, so that it (as revised and signed by you) is at all times current, complete and accurate.

1.7. Anti-Terrorism Laws. Neither you, nor your Owners, principals, employees or anyone associated with you are listed in the Annex to Executive Order 13224. (The Annex is available at http://www.treasury.gov/resource-center/sanctions/Programs/Documents/terror.pdf.) You agree not to hire or have any dealings with any person listed in the Annex. You certify that you have no knowledge or information that, if generally known, would result in you, your Owners, principals, employees, or anyone associated with you being listed in the Annex to Executive Order 13224. You agree to comply with, and assist us in our efforts to comply with, the Anti-Terrorism Laws. In connection with such compliance, you certify, represent, and warrant that none of your property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that you and your Owners or principals are not otherwise in violation of any of the Anti-Terrorism Laws. You are solely responsible for ascertaining what actions must be taken by you to comply with all such Anti-Terrorism Laws.

2. GRANT OF FRANCHISE

2.1. Grant of Franchise. Subject to the terms and conditions of this Agreement, we grant you the right to operate one Placement Agency only within the Territory, identified in **Addendum 1**. You agree to equip and operate, under the terms of this Agreement and the Operations Manual, a single Placement Agency operating under the System and specializing in offering specific Authorized Services and Authorized Products as specified by us in the Operations Manual, only under the Marks and only within the Territory. If your Territory consists of multiple Marketing Areas, you agree to develop your Territory by beginning to market and operate your Placement Agency in each Marketing Area according to the Development Schedule on **Addendum 1**.

2.2. Restrictions on License. You do not have the right to grant franchises or sub-licenses of any kind to any other party, nor do you have the right to operate more than one Placement Agency within the Territory, unless otherwise provided by separate agreement with us. You will not conduct any type of business, other than your Placement Agency operated under this Agreement, within the Territory without our prior written approval.

3. EQUIPPING YOUR PLACEMENT AGENCY

3.1. Business Office. You must maintain an office to serve as the business office for your Placement Agency (the "**Business Office**"), which is listed on **Addendum 1**. You may use your home office for your Business Office, but you must have a business address separate from your home address for use on business cards, collateral materials and the Internet. Your business address must be located within your Territory, have a suite number or office number, and cannot be a post office box (P.O. Box). If you do not use your home office for your Business Office, the location of your Business Office must be within your Territory. You must maintain a separate telephone line, voicemail, and cable or Internet connection for the Business Office that comply with our standards and specifications. You agree not to use the telephone number of the Business Office for any other business purpose other than operating your Placement Agency. You agree to notify us at least fifteen (15) days before you relocate your Business Office by providing to us the new address for your Business Office, but so long as your Business Office is located within the Territory, you do not need to obtain our consent for relocating your Business Office.

3.2. Vehicles. You must have one or more vehicles meeting our specifications (each a "**Vehicle**" and more than one "**Vehicles**") to sell and perform Authorized Services and Products within the Territory.

3.3. Required Equipment. Prior to the Commencement Deadline, you agree to purchase (at your sole cost and expense) from us, our Affiliate(s), or Suppliers the equipment (including the Computer System), furniture, fixtures, inventory, supplies, and materials necessary for the operation of your Placement Agency and in accordance with the Operations Manual. We will provide you with specifications for the equipment, Vehicle(s), supplies, and inventory necessary to operate your Placement Agency.

3.4. Developing Your Placement Agency. You are solely responsible for developing your Placement Agency. This means that you must, at your own expense: (a) secure all financing to develop and operate your Placement Agency and acquire and maintain adequate capital reserves; (b) obtain all required equipment, including Vehicles, needed to operate your Placement Agency; (c) pay all applicable state, county, and municipality taxes, permit costs, and/or fees associated with construction; (d) obtain all required building, utility, sign, business, and other permits and licenses in accordance with Legal Requirements; (e) purchase insurance for your Placement Agency, and provide us with a copy of all insurance certificates and endorsements for the policies you purchase; and (f) hire and train your employees or contractors as necessary to operate your Placement Agency.

3.5. Deadlines. You agree that your Placement Agency will be equipped and that you will begin operating your Placement Agency, no later than ninety (90) days after the Effective Date (the "**Commencement Deadline**"), unless we otherwise agree in writing. If you are purchasing multiple Marketing Areas, you must begin marketing in each new Marketing Area no later than the applicable Marketing Deadline. If you fail to open your Placement Agency on or before the Commencement Deadline, we will have the right to deem your failure to constitute a material default of this Agreement, and we will have the right to terminate the Agreement. If we exercise our right to terminate this Agreement under this Section 3.5, we will refund to you fifty percent (50%) of the Initial Fee that you paid to us after we receive from you a signed general release of claims in our then-current required form, releasing all claims you may have against us, our officers, directors, shareholders, Affiliates, managers, members, partners, owners, employees and agents. Our current required form is attached to our Franchise Disclosure Document as **Exhibit E**.

4. TERRITORY

4.1. Nature of the Territory. The license granted to you under this Agreement is personal in nature. Unless you have our express written permission as described in Section 4.4:

4.1.1. You may not offer, advertise, sell, or provide any services or products outside of your Territory using the Marks or the System.

4.1.2. You must refer any potential placement Customers who are seeking placement outside of your Territory to the applicable Placement Agency that owns the territory. Our contracts with other Placement Agencies will provide that the Placement Agency receiving the referral must pay you a referral fee on the commission they receive from a Facility based on your referral, based on your agreement with that Placement Agency.

4.2. Territory. Your "**Territory**" consists of the geographic area comprising all Marketing Areas that you purchase. So long as you are in compliance with this Agreement and every other agreement between you and us (or any of our Affiliates), except as stated in Section 4.3 we will not during the Term: (a) operate a Placement Agency under the Marks or System within your Territory; or (b) knowingly permit any third party to operate a Placement Agency with your Territory, without your written consent. Your Territory is identified in **Addendum 1**.

4.3. No Other Protection. You acknowledge that, other than the limited exclusivity we grant you in Section 4.2, we and our Affiliates retain all other rights within your Territory, including but not limited to the right to:

4.3.1. Use, and to license other persons to use, the Marks and System for the operation of Placement Agencies or any other business that is similar or dissimilar to Placement Agencies at any location outside of the Territory.

4.3.2. Maintain any websites utilizing a domain name incorporating the Marks or derivatives of them, as well as advertise or market the System or Marks within your Territory through any means we choose.

4.3.3. Use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or otherwise, at any location including a location or locations inside of the Territory, in association with operations that are different from Placement Agencies.

4.3.4. Offer or sell Authorized Services and Products, or grant others the right to offer and sell Authorized Services and Products, whether using the Marks, or other trademarks or service marks, through alternative channels of distribution, including, without limitation, wholesalers, retail outlets, or by Internet commerce (e-commerce), mail order or otherwise, regardless of whether it is inside or outside of the Territory.

4.3.5. Acquire, merge, combine with, or be acquired by businesses that are the same as or similar to your Placement Agency and operate such businesses regardless of where such businesses are located, including inside the Territory, and to be acquired by any third party which operates businesses that are the same as, or similar to, your Placement Agency, regardless of where such businesses are located, including inside the Territory. We will not, however, re-brand any such service businesses located inside the Territory by allowing them to use the Marks.

4.4. Your Operation Outside of the Territory. You may not proactively advertise products or services products (including the Authorized Services and Products) outside of your Territory without our express written permission.

4.4.1. However, you may service Customers outside of your Territory if there is no Senior Care Authority franchise in that area. If you find Customers for placement in a Facility outside your Territory but within another Placement Agency's territory, you must refer the Customers to that Placement Agency. The Placement Agency will be required to pay you a referral fee from the commission it receives from the Facility, as outlined in Item 6 and the Operations Manual. The exact amount of the referral fee will be subject to your agreement with the other Placement Agency.

4.4.2. Additionally, we may grant you the right to place Customers in Facilities located in areas adjacent to your Territory (an "**Unassigned Area**") that have not been sold to or are not being serviced by another Placement Agency. If we provide written notice, you must stop all sales and service efforts within the Unassigned Area within ten (10) days. Within twenty (20) days of receiving written notice, you must: (a) return all Operational Data and lists of prospective Customers within the Unassigned Area to us; (b) assign all Customer contracts within the Unassigned Area to us or our designee; and (c) pay us any amounts (or a pro rata portion of any amounts) paid by Customers within the Unassigned Area for Authorized Services you have not yet performed.

4.5. National Accounts. You acknowledge that to competitively attract and effectively service National Accounts, we may need to establish policies governing the manner in which National Accounts are solicited and serviced, including reserving to us or our Affiliates, or even other franchisees, the exclusive or non-exclusive right to solicit particular National Accounts or types and/or categories of National Accounts, and requiring you to obtain our prior consent before soliciting National Accounts. You must comply with all of our policies regarding National Accounts, as stated in the Operations Manual. You acknowledge that there may be no National Account business within the Territory. You expressly acknowledge that we may offer to subcontract with you to furnish Authorized Services and Products on our behalf to National Accounts in our sole discretion and subject to the applicable Customer's approval and other terms and conditions, and your execution of a subcontract in the form we prescribe. If we offer you such a subcontract, you will not be obligated to accept it. However, if you decline, or if you accept but we are advised by the National Account that the National Account is dissatisfied with your work, or it is otherwise necessary in our judgment in order to preserve the National Account or our reputation, we will have the right to perform such services or may subcontract such services to a third party.

5. TERM; RIGHT TO ACQUIRE SUCCESSOR FRANCHISE

5.1. Term. The Term of this Agreement commences on the Effective Date, and, unless sooner terminated in accordance with Article 17, will expire on the tenth (10th) anniversary of the Commencement Deadline (the "**Term**").

5.2. Right to Acquire Successor Franchise. After the expiration of the initial Term, you may, at your option, acquire a successor franchise for an unlimited number of additional terms of five (5) years each (for so long as we continue to offer franchises in your state). To qualify for a successor franchise, we have the right to insist on your fulfillment of any or all of the following conditions:

5.2.1. You must give us written notice of your election to acquire a successor franchise not less than two hundred and seventy (270) days nor more than three hundred and sixty-five (365) days prior to the end of the Term.

5.2.2. You must execute our then-current standard form of franchise agreement (the "**Successor Franchise Agreement**"), which may, in our sole discretion, include substantially different terms than those contained in this Agreement, including but not limited to, higher, additional, or different fees (including a higher Royalty Fee) and a smaller Territory, but you will not have to pay a new Initial Fee.

5.2.3. You and each of your Owners must have executed a general release, in our then-current form (our current form is attached to the Franchise Disclosure Document as **Exhibit E**), of any and all claims against us and our Affiliates and their respective officers, directors, shareholders, managers, members, agents and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release you give us will not be inconsistent with any state law regulating franchising.

5.2.4. You are not then in default of any provision of this Agreement, or any amendment of or successor to this Agreement, or any other agreement between you and us or our Affiliates, and you have not committed and received notice of two (2) or more breaches of this Agreement during any twelve (12) month period during the Term, even if such breaches were timely remedied.

5.2.5. You have satisfied all of your monetary obligations to us (or to any of our Affiliates), and have timely met those obligations during the Term.

5.2.6. You must make or provide for, in a manner satisfactory to us, such changes as may be necessary to bring your Placement Agency up to our current standards, including, without limitation: installation of new equipment (including your Computer System) and software; updating and/or replacing your Vehicle(s); and, if you have a stand-alone Business Office, remodeling and/or renovation of your Business Office and décor to reflect the then-current standards and image of the System.

5.2.7. You must pay us a successor franchise fee equal to seven thousand five hundred dollars $7,500, regardless of the number of Marketing Areas you are renewing.

5.2.8. You must provide proof that you have all current licenses, insurance, and permits in compliance with Legal Requirements for you to continue operating your Placement Agency.

5.3. Holdover Franchise. If you do not sign the Successor Franchise Agreement prior to the expiration of this Agreement and you continue to operate the Placement Agency beyond the Term of this Agreement or any subsequent renewal period, it shall be deemed to be on a month-to-month basis under the terms of this Agreement (except that you will no longer have the right to obtain a Successor Franchise Agreement pursuant to Section 5.2) and subject to termination upon 30 days' notice or as required by law. If the hold-over period exceeds 90 days, this Agreement is subject to immediate termination unless Legal Requirements requires a longer period. Upon termination after any hold-over period, you and those in active concert with you, including Owners, family members, officers, directors, partners and managing agents, are subject to the terms of Agreement including post-termination obligations contained in this Agreement.

6. PAYMENTS

6.1. Initial Fee. In consideration of the parties' promises and covenants to one another, you will pay us an initial franchise fee ("**Initial Fee**") in a lump-sum upon execution of this Agreement. The specific amount of the Initial Fee will depend on the number of Marketing Areas you are purchasing, and is indicated on **Addendum 1**. The Initial Fee is fully earned by us and nonrefundable once you have paid it to us, except under the circumstances stated in Sections 3.5 and 10.1.

6.2. Royalty Fee. You will pay us a continuing royalty fee ("**Royalty Fee**") equal to eight percent (8%) of your Gross Sales earned during the prior month, on or before the Payment Date. Regardless of your Gross Sales, you agree to pay us a minimum royalty fee ("**Minimum Monthly Royalty**") for each Marketing Area you purchase, starting from the Marketing Start Date for each Marketing Area, according to the following schedule:

Months After Marketing Start Date	Monthly Minimum Royalty
0-5	$0
6-12	$500
13-24	$800
25-36	$1,000
37 and beyond	$1,200

The Marketing Start Date for your first Marketing Area is the Commencement Deadline (see Section 3.5). If your Territory consists of multiple Marketing Areas, you will begin paying us the Minimum Monthly Royalty for each new Marketing Area by the Marketing Start Date, which must be no later than the "Marketing Deadline" indicated in **Addendum 1**. If you acquire this Agreement through a transfer from a former franchisee, your Minimum Monthly Royalty will follow the schedule established for the transferring franchisee.

6.3. Marketing and Technology Support Fee. You must pay us or our Approved Suppliers, on or before the Payment Date, a monthly Marketing and Technology Support Fee equal to nine hundred fifty dollars ($950.00). For the Marketing and Technology Support Fee, we will provide you with one license for our CRM Software, up to two email addresses, and file space via Google Workspace. We will also provide you with access to certain other technology products, like our website and information technology support from our staff. We will also use the Marketing and Technology Support Fee to pay for our search engine optimization efforts for the System as a whole and various other marketing initiatives (in our discretion).

6.3.1. If you operate in multiple contiguous Marketing Areas under this Agreement, we will charge you an additional two hundred dollars ($200.00) per month for each additional contiguous Marketing Area after the first one when you begin marketing in that Marketing Area (and in no event later than the Marketing Deadline).

6.3.2. You may purchase additional licenses for the CRM Software for one hundred dollars ($100.00) per month, and additional email addresses for twenty dollars ($20.00) per month.

We have the right to increase any of these fees to reflect our actual costs of providing these services to you. We have the right to increase these fees to cover our or our Affiliates' actual costs and expenses, but any increase will not exceed 110% of our or our Affiliates' actual costs and expenses.

6.4. Onboarding Fee. In addition to the Initial Fee, you must pay us an onboarding fee of twelve thousand seven hundred fifty dollars ($12,750) in a lump-sum upon execution of this Agreement, which pays for training (including a three-day onsite visit to your location), CRM Software programming, and press release development relating to the opening of your Placement Agency. This fee is fully earned by us and nonrefundable once you have paid it to us.

6.5. Time and Manner of Payments. With the exception of the Initial Fee, we may require you to make all payments owed under this Agreement by means of electronic funds transfer ("**EFT**"), or such other manner that we designate from time-to-time. You must ensure that each Royalty Fee payment is, without exception, accompanied by a statement of your Gross Sales during the month just-ended on a form approved by us, which form may be electronic. We must receive from you all fees due for each month on or before the applicable Payment Date.

6.5.1. You agree to comply with procedures specified by us and/or perform such acts and deliver and execute such documents, including authorization for direct debits from your business bank operating account, as may be necessary to assist in or accomplish payment by such method, and to execute our "EFT Authorization Agreement," which is attached to this Agreement as **Addendum 3**. Under this procedure, you authorize us to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to us and any interest charged due on those amounts. You must make funds available to us for withdrawal by electronic transfer no later than the Payment Date.

6.5.2. If funds in your account are insufficient to cover the amounts payable at the time we make our funds transfer request, the amount of the shortfall is overdue and is subject to the terms set forth in this Agreement for overdue payments, in addition to any other remedies we have.

6.5.3. If you have not timely reported your Gross Sales to us for any month, then we will, at our option, have the right to debit your account in an amount equal to: (a) the fees transferred from your account for the last month for which you provided a report of your Gross Sales to us; or (b) the amount due based on information retrieved from the Computer System.

6.6. Referral Fee. In the event that you receive a Customer referral from us or from another Placement Agency that results in your successfully placing the Customer in a Facility, you must pay to the referring Placement Agency a referral fee from the total commission payment that you receive from the applicable Facility. If your referral is from another Placement Agency, the exact amount of the referral fee will be based on your agreement with the referring Placement Agency. We have the right to adjust, add to, or revise this fee annually. You must pay this fee within five (5) days of your receiving the commission payment.

6.7. Application of Funds; Withholding of Payments. If you become delinquent in the payment of any monetary obligation to us, we will have the absolute right to apply any payments received from you to any obligation owed, whether under this Agreement, or under any other agreement, between you and us, notwithstanding any other designation by you as to application. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

6.8. Late Reports and Payments. If we do not timely receive from you: (i) any fee or any other amount due under this Agreement; (ii) any report that you are required to give us; (iii) your annual financial statements; or (iv) annual tax returns on or before the date that it or they are due, you must pay us a late fee equal to $100.00 per week that such fee, report, statement, or return is overdue. You must also pay us interest at the daily equivalent of 1.5% per month simple interest of any overdue amount, or the highest rate then permitted by applicable law (whichever is less), for each day any amount is past due, accruing until the past-due amount is paid in full. This provision does not permit or excuse late payments, reports, or tax returns.

6.9. Reimbursement of our Costs of Collection. If we are required to engage a collection agency, use legal counsel, or hire any third party in connection with any failure by you to pay us amounts when they are due, or your failure to submit when due any reports, information, or supporting records, or in connection with any failure by you to otherwise comply with this Agreement, you must reimburse us for all costs and expenses of enforcement and collection, including our reasonable: (a) legal fees; (b) investigation fees; (c) travel expenses of our employees or agents; and (d) hourly charges of our employees or agents. These amounts must be paid to us by you within five (5) days after you cure the default, or upon demand by us if your default is not cured.

6.10. Taxes; Payments to Others. All payment obligations pertaining to your Placement Agency, including all trade payables and other indebtedness of every kind and all federal, provincial, state and municipal taxes and charges, are solely your obligations and not ours. We will not be liable for any sales, service, use, excise, gross receipts, property, payroll or other taxes levied against you or your assets, or against us, in connection with your Placement Agency, or any payments you make to us under this Agreement or any other agreement. You must reimburse us for any gross receipts, sales, use or other tax assessed by any taxing authority in the state where your Placement Agency is located, on any fees or other amounts payable by you to us under this Agreement, except for taxes assessed upon our income, which will be our responsibility. We will not be liable or responsible for your compliance (or failure to comply) with any and all Legal Requirements.

7. TRADEMARK STANDARD AND USE REQUIREMENTS

7.1. Ownership. You agree that the Marks, Intellectual Property, and System are our (or our Affiliate(s)) exclusive property, and that you will never assert any claim to any goodwill, reputation or ownership relating to or associated with the Marks or Intellectual Property. You will never engage in any conduct directly or indirectly, or assist another party to engage in any conduct, that would infringe upon, harm or cause damage to the Marks. You will not contest or assist any other party to contest our rights in any of the Marks or the goodwill associated with the Marks. You will not use, or assist others to use, the Marks in a

derogatory, negative or other inappropriate manner in any medium. You agree to provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all rights, title and interest in and to the Marks, including all items we reasonably request to assist us in registering, maintaining and enforcing our rights in the Marks. You acknowledge that we will suffer irreparable damage and will have no adequate remedy at law as a result of your unauthorized or infringing use of the Marks, and you agree that we will have the right to seek injunctive relief in a court of competent jurisdiction in the event that you use the Marks in an unauthorized or infringing manner.

7.2. Changes. We, from time to time in our discretion, may modify all or any part of the Marks. We may require you to use one or more additional or substitute Marks. You will have no rights or claim of damages, offset, or right to terminate this Agreement as a result of any such modification and we will not have any liability or obligation to you with respect to your required modification or discontinuance of any Marks. Upon receipt of notice of such modifications, you, as soon as reasonably possible, will cease using the former Marks and commence using the modified Marks at your sole cost and expense.

7.3. Permitted Use. Your right to use: the Marks; the Intellectual Property; the System; any proprietary software; other materials in which we claim a copyright, trademark, or other right to exclusive use; trade secrets; Confidential Information; and other Intellectual Property as granted in this Agreement, is limited to your use of those materials, items, or Intellectual Property in connection with your operation of your Placement Agency, and otherwise as described in this Agreement and as authorized in the Operations Manual, or as we may prescribe in writing from time to time.

7.3.1. You may use only the Marks to identify and distinguish the services offered by you. You are not permitted to use Intellectual Property for any service or product that is not specifically authorized by us in the Agreement or Operations Manual. You must comply with all of our trademark, trade name and service mark notice marking requirements, including affixing "SM," "TM," or "®," adjacent to all Marks in any and all uses of the Marks.

7.3.2. You will not use anything that resembles or is deceptively or confusingly similar to the Marks, the System, or the Intellectual Property, in any manner or for any purpose, or do anything that would dilute, directly or indirectly, the value of the goodwill associated with the Marks, nor counsel, procure or assist anyone else to do the same. You will use the Marks only for the uses and in the manner we permit. You acknowledge that you are required, to the extent possible, to prevent persons or parties associated with or employed by you from using the Marks and/or Intellectual Property in an unauthorized manner.

7.4. No Representations or Warranties. WE MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE MARKS.

7.5. Infringement and Indemnification. You must notify us of: (a) any litigation relating to the Marks; or (b) suspected infringement upon the Marks or the Intellectual Property, but you may not take any action against suspected infringers without our express written permission. You must notify us within three (3) days after receiving notice of any claim based upon or arising from any attempt by any other person, firm or corporation to use the Marks or our Intellectual Property, or any imitation of them. If you notify us in a timely manner of a claim against you relating to the Marks, we will have the exclusive right and obligation to contest, defend against, or bring an action against, any third party regarding the third party's use of any of the Marks. In the event we take legal action to protect our Marks or authorize you to do so, we will be responsible for all costs (including reasonable attorneys' fees) related to such legal action, but only for those costs that we specifically incur or authorize you to incur. We will not be obligated to indemnify or reimburse you for any separate legal fees or costs that you incur in seeking independent counsel that is separate from

the counsel we use, unless we specifically state otherwise in writing. You must execute any and all documents, do such acts and things that may be necessary, and cooperate with us and with any action undertaken by us concerning litigation relating to the Marks.

8. ADVERTISING

8.1. Your Advertising; Regional or National Initiatives. All of your advertising, promotion and marketing must be completely clear and factual and not misleading, and must conform to the highest standards of ethical marketing and the policies which we prescribe from time to time, in the Operations Manual or otherwise. You may not use any advertising or promotional materials that we have disapproved at any time or for any purpose.

8.1.1. We may conduct national or regional marketing initiatives or promotions with networks of hospitals or assisted living facilities, and if any such network has a presence in your Territory, we have the right to require you to: (a) spend money on advertising or public relations efforts to participate in such national or regional promotions; or (b) offer discounted rates or fees as part of such initiatives or promotions. We will not require you to spend, or provide rate or fee discounts amounting to, more than $5,000 towards such an initiative or promotion on an annual basis.

8.1.2. Upon our request, you will provide to us for our review samples of any and all advertising and promotional material bearing the Marks. With the exception of advertising materials created and provided to you by us, at least five (5) days before using them, you must submit to us all advertising materials you intend to use, which approval will be in our sole discretion. You will not use such materials until they have been approved by us, and you must promptly discontinue use of any advertising material upon our request. Any materials submitted by you to us which have not been disapproved by us in writing within five (5) days of our receipt of them are deemed disapproved.

8.1.3. You must obtain our prior written consent (which we may withhold in our sole discretion) before making any charitable contributions or donations of items, services or funds to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any organization).

8.1.4. If your Territory consists of multiple Marketing Areas, you must begin marketing in a new Marketing Area as soon as possible, but in no event later than the Marketing Deadline.

8.2. Market Introduction. During the first year following the Effective Date, you must spend an amount specified by us on local promotion of the initial opening and operation of your Placement Agency ("**Market Event**"). We will determine the exact dollar amount of your required Market Event (up to $5,000) after assessing your Territory and the area surrounding your Placement Agency, and taking into account other potentially relevant factors, such as prevailing costs of advertising in the area, content of the promotion, sponsorships, the time of year of opening and other similar factors.

8.3. FastTrack to Market. You must spend a total of ten thousand dollars ($10,000) over the course of the first year after the Effective Date under our "FastTrack to Market" program. You will work with our marketing team to implement advertising and marketing initiatives in your local marketing to bring in potential clients for placement and consulting services.

8.4. Internet, Social Media, and Domain Name. As part of the services we provide you for the Marketing and Technology Support Fee, and for so long as you are not in default of this Agreement, we will list your Placement Agency location on our Internet website and, will provide to you a website that is

contained in our primary website. You do not have the right to establish an independent website or URL incorporating our Marks or any portion or variation of them. You also do not have the right to establish any e-commerce business without our prior written consent. However, as long as you are not in default of this Agreement, we will list your Placement Agency location on our website and provide you with a landing page. We will also provide you with an email address for use in your business. We will be the webmaster for the Senior Care Authority website, either directly or through a third party, and will be the only authorized user of the Marks on the Internet. We will provide guidelines for updating your landing page and will exercise the maximum control legally allowable on the use of our Marks on all social media sites and search engine optimization (SEO) activities connected to the Marks, either directly or through a third party.

8.4.1. Use of Marks on Internet. You, your employees, independent contractors, sales associates, and representatives may not use, license, or register any domain name or URL (or other means of identifying you or your Placement Agency on the Internet) that uses a mark, image, or words confusingly similar to the Marks or any abbreviation, acronym, or phonetic or visual variation of the Marks without our prior written consent. At our request, you must promptly assign or redirect (or cause to be assigned or redirected) to us any domain name, URL, or other identification that violates this Agreement or the policies stated in the Operations Manual, at your expense and without compensation from us.

8.4.2. Your Content. The content you submit to us or use for any Internet marketing must be true, correct, and accurate. At our request, you will promptly modify any of your Internet marketing material containing the Marks to conform to the standards stated in the Operations Manual. Your online promotional strategies must comply with our online policy. We may review, monitor, and require changes to all online content on your websites, social media sites, blogs, electronic communications, and other online sites where our Marks or Intellectual Property are used. You must provide us with full, administrator-level rights to access and administer all social media accounts related to your Placement Agency. You agree to use the email address we provide you in conducting the business of your Placement Agency.

9. **OPERATING YOUR PLACEMENT AGENCY**

9.1. Designated Manager. Your Placement Agency must at all times be operated under your direct supervision (if you are an individual) or by a manager (if you are a Business Entity) who: (a) is approved by us; (b) has successfully completed the Training Program and all other training programs required by us from time to time; (c) devotes his or her full time (a minimum of thirty-five hours per week) and best efforts to operating your Placement Agency (your "**Designated Manager**"). We have the right to deal with the Designated Manager on matters pertaining to day-to-day operations of, and reporting requirements for, your Placement Agency. Your initial Designated Manager is identified on **Addendum 1**. In the event that the Designated Manager elects to end his/her relationship with you, you must recruit a new Designated Manager within 30 days and submit his/her qualifications to us for review and approval.

9.2. Sale of Authorized Services and Products Only. You must advertise and sell only Authorized Services and Products that meet our quality standards. You may not sell all Authorized Services and Products at all times and cannot sell them outside your Placement Agency without our authorization. You must comply with all mandatory specifications, standards, and operating procedures, including:

9.2.1. Types, models, and brands of required products, materials, equipment, signs, and supplies. We may modify the list of approved types, brands, models, or suppliers, and you must comply with these changes.

9.2.2. Designated or Approved Suppliers (which may include us or our Affiliates) for equipment, signs, products, materials, supplies, and services.

9.2.3. Terms and conditions of sale, delivery, and payment for products, materials, supplies, and services from us, our Affiliates, or others.

9.2.4. Test marketing of proposed Authorized Products or Services at any Placement Agency as we deem appropriate.

You may only use products from Approved Suppliers for operating your Placement Agency.

9.3. Operating Your Placement Agency. You must use only approved equipment (including the Computer System), décor, vehicles, and signs that meet our quality standards. You must purchase or lease approved brands, types, or models of equipment from designated suppliers (which may include us and/or our Affiliates) and pay the current prices. You will establish independent commercial relationships with Approved Suppliers for specific items.

9.4. Alternative Suppliers. To use a supplier other than an Approved Supplier, submit a written request with the necessary documentation. We will notify you of our decision within 30 days. We may revoke approval if the supplier no longer meets our standards, and you must stop purchasing from disapproved suppliers. ALTHOUGH APPROVED OR DESIGNATED, WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO INVENTORY, SERVICES, PRODUCTS, EQUIPMENT (INCLUDING, WITHOUT LIMITATION, ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED ITEMS. IN ADDITION, WE DISCLAIM ANY LIABILITY ARISING OUT OF OR IN CONNECTION WITH THE SERVICES RENDERED OR PRODUCTS FURNISHED BY ANY SUPPLIER APPROVED OR DESIGNATED BY US. OUR APPROVAL OR CONSENT TO ANY SERVICES, GOODS, SUPPLIERS, OR ANY OTHER INDIVIDUAL, ENTITY OR ANY ITEM WILL NOT CREATE ANY LIABILITY TO OR BY US.

9.5. Acknowledgement of Markup or Rebates. You acknowledge and agree that we and our Affiliates may apply a reasonable markup on items you are required to purchase from us. We may also receive rebates or other revenue from Approved Suppliers, which we are entitled to keep.

9.6. Maintenance and Refurbishment. You must, at your sole expense, do all things necessary to comply with the System, including keeping your Placement Agency, its Vehicle(s), equipment and assets: (i) in good order and repair, and in compliance with the System requirements as set forth in the Operations Manual or as we otherwise require; and (ii) in a neat, clean, and attractive condition; replacing equipment, and other assets only with those that we have approved as, in our discretion, they become worn out or otherwise unsuitable for use. You must make, at your expense, all additions, repairs, replacements improvements and alterations to your Placement Agency, Vehicle(s) and your equipment as we determine necessary so that the publicly-viewable aspects of the Placement Agency (including Vehicle(s) and equipment) conform to the System's image, as may be prescribed by us from time to time. You must undertake and complete such additions, repairs, replacements, improvements and alterations within the time and under the terms and conditions, which we may reasonably specify. If, however, any condition presents a threat to clients or public safety, you must address the condition immediately. You recognize and agree that there are no limitations on this obligation, and acknowledge and agree that the requirements of this Section 9.6 are both reasonable and necessary to ensure continued public acceptance and patronage of Placement Agencies and to avoid deterioration or obsolescence in connection with the operation of your Placement Agency. We agree that during the first twelve months of the Term, we will not require you to

make any additions, repairs, replacements, improvements, or alterations to your Placement Agency if they will require you to spend more than two thousand dollars ($2,000) during that time period.

9.7. Branded Apparel. You must require your employees to wear branded apparel while working for your Placement Agency of such design and color as we may prescribe in the Operations Manual.

9.8. Operations Manual. You must operate your Placement Agency in strict compliance with our standard procedures, policies, rules, and regulations as outlined in the Operations Manual. You must ensure that your Designated Manager, managers, employees, independent contractors, and Affiliates comply with the Operations Manual. We may add, delete, or revise the Operations Manual (the "**Supplements**"), which will become binding upon delivery. You will have up to 30 days to comply with any material changes. The Operations Manual and Supplements will not conflict with or materially alter your rights and obligations under this Agreement. They are designed to protect our reputation and the goodwill of the Marks, not to control the day-to-day operations of your Placement Agency.

9.8.1. We may revise the System, Marks, training programs, and the Operations Manual at any time. Such modifications may require you to invest additional capital in your Placement Agency ("**Capital Modifications**") and/or incur higher operating costs, subject to the limitation in Section 9.6.

9.8.2. Upon executing this Agreement, we will provide you with electronic access to the Operations Manual. The Operations Manual and all amendments are copyrighted and remain our property. They are loaned to you for the Term and must be returned upon termination or expiration of this Agreement. The contents are our Confidential Information, and you must not make copies without our prior written consent. You must keep any physical copies up-to-date.

9.8.3. Full compliance with the Operations Manual is essential to preserve the reputation, trade demand, and goodwill of the System and Marks. Failure to comply can damage us, you, and other Placement Agencies.

9.9. Consumer Relations and Protection of Goodwill. You must give prompt, courteous and efficient service to the public and operate your Placement Agency in compliance with the Operations Manual to preserve and enhance the value and goodwill of the Marks and the System.

9.9.1. You will uphold, and take reasonable steps to ensure that your Designated Manager, employees and independent contractors uphold high standards of honesty, integrity, and fair dealing in dealing with the general public, clients, other franchisees and us. You must promptly respond to all complaints received from your clients, their family members, referral sources, or other individuals in an attempt to resolve the dispute in a reasonable business manner.

9.9.2. If we are contacted by a client of your Placement Agency who lodges a complaint, we reserve the right (but are not required) to address the client's complaints in order to preserve goodwill and prevent damage to the Marks. If we provide a credit, refund, or other value to the client as part of our addressing its complaint, you must reimburse us for the cost of the gift card, refund, or other value provided to the client. Nothing in this Section 9.9.2 or in any other provision of this Agreement is to be construed to impose liability upon us to any third party for any of your actions or obligations.

9.9.3. You must hire a reputable third-party supplier to conduct a criminal background check regarding each employee or independent contract who you wish to hire to work with or for your Placement Agency before you hire or contract with them.

9.10. Days of Operation. You must operate your Placement Agency during such days, nights, and hours as we may state from time-to-time in the Operations Manual or otherwise. You acknowledge and agree that the hours of operation are integral to the value of the System and the Marks, and any failure by you to operate during the designated hours would be detrimental to the System and the Marks. You further acknowledge and agree that the day-to-day operational decisions relating to the closing and opening procedures of your Placement Agency, including any security, staffing, and other similar matters, will be made solely by you.

9.11. Merchant Services You agree to maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, "**Credit Card Vendors**") that we may periodically designate as mandatory. The term "Credit Card Vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet"). You agree not to use any Credit Card Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval. We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You must acquire, at your expense, all necessary hardware and/or software used in connection with these non-cash systems.

9.12. Compliance With Legal Requirements. You agree to maintain the highest standards and ratings applicable to the operation of your Placement Agency. You agree to comply with all Legal Requirements and obtain and maintain any and all licenses and permits required by any governmental agencies or otherwise necessary to conduct your Placement Agency in any jurisdiction in which it operates. You acknowledge that you alone are responsible for complying with Legal Requirements and that we have no obligation to you or any other person for your compliance with Legal Requirements. As between us and you, you are solely responsible for the safety and well-being of your employees and the clients of the franchise business. You specifically agree to comply with all applicable health and safety laws, ordinances and regulations so as to be rated the highest available health and safety classification by the appropriate governmental authorities and to furnish to us copies of all inspection reports, warnings, certificates, and ratings issued by any governmental agency within ten (10) days of your receiving them. If your Placement Agency is subject to any inspection by any governmental authorities under which it may be rated in one or more than one classification, it must be maintained and operated so as to be rated in the highest available classification with respect to each governmental agency. In the event your Placement Agency fails to be rated in the highest classification or you receive notice that your Placement Agency is not in compliance with all applicable standards, you must immediately notify us of such failure or noncompliance. You must notify us of the commencement of any action, suit or proceeding involving you or your Placement Agency, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of your Placement Agency not more than five (5) days after notice of such commencement or issuance.

9.13. Improvement(s). If you, your Designated Manager, employees, or Owners develop any new concept, process or improvement in the operation or promotion of your Placement Agency or Placement Agencies generally (an "**Improvement**"), you agree to promptly notify us and provide us with all necessary related information, without compensation. Any such Improvement will become our sole property and we will be the sole owner of all related copyrights, trademarks, patents, patent applications, and other intellectual property rights. You must fully disclose the Improvement(s) to us, without disclosing the Improvement(s) to others, and you must obtain our written approval prior to using such Improvement(s). You and your Owners agree to assign to us any rights you or your Owners may have or acquire in the Improvement(s), including the right to modify the Improvement, and you and your Owners waive and/or

release all rights of restraint and moral rights in and to the Improvement. You and your Owners agree to assist us in obtaining and enforcing the intellectual property rights to any Improvement. In the event that the foregoing provisions of this Section 9.13 are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on you or your Owners' rights to the Improvement.

10. OPERATIONAL ASSISTANCE BY US

10.1. Training. Before you begin operating your Placement Agency, you and your Designated Manager (if applicable) must attend and successfully complete our "**Training Program**." This program covers our System, methods of operation, policies, and any other necessary topics. The Training Program will be conducted online and is provided at no additional charge. You must not start operations until your Designated Manager has completed the training to our satisfaction. If we determine, based on your performance in the Training Program, that you or your Owners are not qualified to operate a Placement Agency or have not obtained all necessary licenses, we have the right to terminate this Agreement. Upon receipt of a signed general release from you, we will return fifty percent (50%) of the Initial Fee you paid.

10.1.1. The Training Program will cover the System, System guidelines, and operational and brand standards. We will not train or assist in training your employees or independent contractors. You are responsible for hiring, training, directing, scheduling, and supervising your employees and independent contractors in the day-to-day operations of your Placement Agency.

10.1.2. If any of your employees attend our Training Program or any subsequent training program, they must **first** sign a Confidentiality Agreement (substantially in the form attached to our Franchise Disclosure Document as "Exhibit H") and a Franchise Relationship Acknowledgement (attached to our Franchise Disclosure Document as "Exhibit I"). Upon our request, you must provide us with copies of these signed documents.

10.1.3. If you need to replace your Designated Manager, the new Designated Manager must attend the Training Program within sixty (60) days of being named. The new Designated Manager may attend the training at no charge, unless we determine that excessive changes in Designated Managers are due to poor hiring practices, in which case we may require you to pay a training fee.

10.1.4. We may modify the Training Program, the frequency of training, and the location of your training at any time. If we hold any in-person training sessions that require travel, you must cover all lodging, travel, meals, personal expenses, salary, and living expenses for yourself, your Designated Manager, your Owners, and any other attendees. Additionally, if you request that we provide any part of the Training Program or one-on-one coaching to you in person, we will ask you to reimburse us for our travel, lodging, and other costs related to providing in-person training.

10.1.5. We will not compensate trainees for services performed during training or other assistance, including services provided to us, our Affiliates, or other franchisees. If you purchased your Franchised Business via a resale, your training may be adjusted to account for support and assistance provided to you from the transferring franchisee.

10.2. Opening Assistance. Immediately before your Placement Agency opens, we will make one of our representatives available to you over the phone and/or over the Internet to assist you or your Designated Manager with the initial operation of your Placement Agency.

10.3. Periodic Training and On-Site Assistance. We may require you, your Designated Manager, and/or previously trained and experienced employees to attend periodic refresher training courses at such times and locations that we designate, which training may (at our option) take place at your Placement Agency, at another Placement Agency, or a training facility operated by us. You may also request our assistance or one-on-one coaching, which we will provide either on-site at your Placement Agency or remotely. We have the right to require you to pay our then-current fee (as listed in the Operations Manual) for the additional training if it is optional. We will not require you to pay any fee if the training is mandatory. We will not require you or your Designated Manager to attend more than one (1) such additional training session during any calendar year, and any such training session will not exceed three (3) days. If training takes place at any location other than our headquarters, we can require you to pay for the lodging, travel and meal expenses we incur for our personnel conducting the training. If training takes place somewhere other than your Placement Agency, you will be solely responsible for the lodging, travel, living and meal expenses for those of your personnel attending the training.

10.4. Meetings, Conferences, or Conventions. We may, at our discretion, hold periodic meetings and/or annual conventions to discuss sales techniques, new Authorized Services and Products developments, bookkeeping, training, accounting, inventory control, performance standards, advertising programs, procedures, and other topics, which may include an annual convention. We have the right to require you and your Designated Manager to attend, except in no event will you or your Designated Manager be required to spend more than three (3) days per year at any such meeting or convention. You must pay the travel and living expenses of yourself, your Designated Manager, and any other person(s) attending the meeting or conference in connection with such attendance. We also may require you to pay a fee that we designate (currently $1,950 per person). If we designate attendance at any such meeting as mandatory, you must pay us the fee regardless of whether you actually attend. We may increase this fee to cover our or our Affiliates' actual costs and expenses, but any increase will not exceed 110% of our or our Affiliates' actual costs and expenses. You and any person(s) attending the convention or meeting with you or on your behalf must stay (at your expense) at the host facility selected by us.

10.5. Advice and Consultation. We will impart to you our selling, promotional and merchandising methods and techniques associated with the System, and will provide to you general guidance. We may (but are not required to) visit your Placement Agency periodically to provide advice to you.

10.6. Remote Assistance. We will make a representative reasonably available to respond to your questions (by telephone or through the Internet) during normal business hours, as we determine necessary, to discuss your operational issues and support needs. We may also provide to you such periodic individual or group advice, consultation and assistance, rendered by telephone, newsletter or bulletins made available from time to time to all Placement Agencies, as we may deem necessary or appropriate within our sole discretion. In addition, we may communicate with you concerning new developments, techniques and improvements as we deem appropriate in our sole discretion.

10.7. Pricing and Rebates. We may (but are not required to) negotiate purchase agreements with Approved Suppliers to obtain discounted prices for franchisees and other Placement Agencies in the System.

10.8. Referral Commission Payments. In the event that you refer a Customer to another Placement Agency and that Customer is placed by the Placement Agency in a Facility, we will use reasonable efforts to ensure that the Placement Agency benefitting from your referral pays to you a referral fee, as required under that Placement Agency’s contract with us.

11. **USE OF TECHNOLOGY**

11.1. Computer System. You must purchase and install a computer system, using such software or cloud-based storage facilities as we specify, that meets our specifications (the "**Computer System**"). You must make all improvements to the Computer System in the manner, and when, specified by us in writing, even if such improvements require you to spend additional money on the Computer System. You have sole and complete responsibility for the manner in which your Computer System interfaces with other systems, including those of us and other third parties, as well as any and all consequences that may arise if your Computer System is not properly operated, maintained and upgraded.

11.1.1. We will provide to you the cloud-based CRM Software. You must obtain any other software for the Computer System only from Approved Suppliers. This includes business management software, and other software and hardware that we require. You may not install, or permit to be installed, any devices, software or other programs not approved by us for use with the Computer System. You may not authorize the use of the software by anyone else and will not configure, program or change any software programs.

11.1.2. We may from time-to-time designate, develop, or authorize others to develop proprietary or non-proprietary computer applications for use as part of the Computer System, which you may be required to purchase and/or license and use in the operation of your Placement Agency. You must execute any license, sublicense or maintenance agreement required by us or any other Approved Supplier of proprietary or non-proprietary computer applications designated by us.

11.1.3. You must: (a) promptly enter into the Computer System and maintain all information that we require you to enter and maintain; (b) provide to us such reports as we may reasonably request from the data so collected and maintained, and (c) permit us to access your Computer System at all times and any time by any commercially available means we specify from time to time. You must cooperate with us to permit us access your Computer System and all of its data, including but not limited to assigning administrator-level access to us for any software.

11.1.4. Any and all data collected or provided by you, downloaded from your Computer System, or otherwise collected from you by us or provided to us (which includes but is not limited to the Operational Data), is and will be owned exclusively by us, and we have the right to use the data in any manner without compensation to you. During the Term, you are licensed, without additional compensation, to use such data solely for the purpose of operating your Placement Agency. This license will automatically and irrevocably expire, without additional notice or action by us, when this Agreement terminates or expires.

11.2. Ownership of Operational Data and Goodwill. All Operational Data that we obtain from you and that you collect from Facilities, Placement Agency customers, referral sources, and all revenues we derive from such Operational Data will be our property and our Confidential Information that we may use for any reason without compensation to you, including making a financial performance representation in our franchise disclosure documents. You assign and will be deemed to have assigned all rights in Operational Data to us. You will provide copies of all Operational Data to us upon request. At your sole risk and responsibility, we grant you the right to use such Operational Data that you acquire from Customers and other third parties solely in connection with operating the Placement Agency at any time during the Term of this Agreement, to the extent that your use is permitted by applicable law. Upon expiration of the Term, all copies of Operational Data must be returned to us and removed from your Computer System.

11.3. Privacy and Data Protection. You will take all necessary actions to independently: (i) learn and comply with all applicable Privacy Laws; (ii) learn and comply with the requirements of the Operations

Manual as they relate to Privacy Laws and the privacy and security of Operational Data; (iii) learn and comply with any posted privacy policy and other representations made to the individual identified by Operational Data that you process, and communicate any limitations required thereby to any authorized receiving party in compliance with all Privacy Laws; (iv) refrain from any action or inaction that could cause us or our Affiliates to breach any Privacy Laws; (v) maintain, and cause adherence by your personnel to all reasonable physical, technical and administrative safeguards and related policies for Operational Data that is in your possession or control in order to protect such Operational Data from unauthorized processing, destruction, modification, or use that would violate this Agreement, the Brand Standards (which may include a non-exhaustive list of the minimum types of policies that must be implemented) or any Privacy Law; (vi) do and execute, or arrange to be done and executed, each act, document and thing we deem necessary in our business judgment to keep us and our Affiliates in compliance with the Privacy Laws; and (vii) immediately report to us the breach of any requirements in this Agreement or the Brand Standards regarding Operational Data or any Privacy Law, or the theft or loss (or any apparent or alleged theft or loss) of Operational Data (other than the Operational Data of your own officers, directors, shareholders, employees or service providers).

11.3.1. You will, upon request, provide us with information, reports, and the results of any audits performed regarding your data security policies, security procedures, or security technical controls related to Operational Data. You will, upon our request, provide us or our representatives with access to your Computer System, records, processes and practices that involve processing of Operational Data in order to mitigate a security incident or so that an audit may be conducted. You will indemnify, defend and hold us and our Affiliates, and their respective officers, directors, shareholders, members, managers, partners, employees, servants, independent contractors, attorneys, representatives, agents and associates harmless in connection with any claim or action arising out of or relating to: (i) any theft, loss or misuse (including any apparently or alleged theft, loss or misuse) of Operational Data; and (ii) your breach of any of the terms, conditions or obligations relating to data security, Privacy Laws or Operational Data set forth in this Agreement.

11.3.2. You will immediately notify us upon discovering or otherwise learning of any theft, loss or misuse of Operational Data. You will, at our direction, but at your sole expense, (i) undertake remediation efforts on your own in concert with our directions, (ii) reasonably cooperate with any remediation efforts undertaken by us and (iii) undertake efforts to prevent the recurrence of the same type of incident, including by paying for any remediation and post-breach monitoring process deemed appropriate by us. You will not make any public comment regarding any data security incident without our approval. Any notifications to the media or customers regarding theft or loss of Operational Data will be handled exclusively by us at our election and neither you nor your personnel may contact customers relating to such theft or loss unless you are under a legal obligation to do so, in which case (i) you must notify us in writing promptly after concluding that you have the legal obligation to notify any customers and (ii) you will limit the notices to customers to those required by the legal obligation or as pre-approved by us. You will reasonably cooperate in connection with any notices to customers regarding theft or loss and you will assist with sending such notices upon request by us.

12. **AUDITS; INSPECTIONS**

12.1. Financial Planning and Management. You must keep such complete records of your Placement Agency as a prudent and careful businessperson would normally keep. You must keep your financial books and records as we may from time to time direct in the Operations Manual or otherwise, including retention of all invoices, accounts, books, data, licenses, order forms, payroll records, check records, bank deposit receipts, sales tax records, refunds, cash disbursements, journals and general ledgers. On or before the Payment Date, you must submit to us a complete and accurate accounting of your Gross Sales for the

previous month in the format we request, which may be electronic, through the Computer System or otherwise. You must prepare monthly income statements for your Placement Agency, which we may require you to submit to us. You must maintain an accounting system reflecting all operational aspects of your Placement Agency, including uniform reports as may be required by us, prepared in accordance with accounting methods utilized and generally accepted for federal income tax return purposes. You will also submit to us current financial statements; forms showing the sales, use, and gross receipt taxes paid by you; and such other reports or documents kept by you as we may reasonably request. On or before April 15 of each year, you must provide us with a copy of your federal tax return for the previous tax year. On or before March 15 of each year, you must provide us with annual financial statements relating to your Placement Agency in a format that we reasonably require. You must maintain the records required under this Section 12.1 for a period of three (3) years after the termination, Transfer, or expiration of this Agreement. If you fail to keep up-to-date and accurate books for your Placement Agency for any three (3) or more nonconsecutive months during the Term, we will require you to hire the services of a third-party bookkeeper to maintain your books for you.

12.2. Inspection Rights and Access to Records. During the Term and for a period of three (3) years following the termination or expiration of the Agreement, we (either directly or through a designated agent) have the right at any time during normal business hours to visit and inspect all aspects of your Placement Agency, including: (i) the place where your records are located; and (ii) your Business Office. We also may accompany you and/or your employees or independent contractors to any job site. If your Business Office is located at your home, we will give you at least five days' advance notice before inspecting your Business Office. You acknowledge that any evaluation or inspection we conduct is not intended to exercise, and does not constitute, control over your day-to-day operation of your Placement Agency or to assume any responsibility for your obligations under this Agreement.

12.2.1. As part of such visit, we have the right to: (a) inspect your Placement Agency operating materials and supplies; (b) observe the operations of your Placement Agency for such consecutive or intermittent periods as we deem necessary; (c) take photographs, movies or video recordings of your Placement Agency; (d) interview your personnel; (e) conduct client surveys; (f) inspect and copy any books, Operational Data, records, and documents relating to the operation of your Placement Agency, including contracts, leases, and material and information generated by or contained in the Computer System; and (g) select supplies, equipment and other items from your Placement Agency to evaluate whether they comply with our Operations Manual. You must cooperate fully with us in connection with these inspections, observations, surveys and interviews.

12.2.2. You authorize us or our designee to make reasonable inquiries of your bank, accountant or bookkeeper, suppliers and trade creditors concerning your Placement Agency, and by this Agreement you direct such persons to provide us with such information and copies of documents pertaining to your Placement Agency as we request.

12.2.3. We and our designee have the right to discuss your records and your Placement Agency with your Designated Manager and any officers, directors and employees responsible for maintaining records. If you inform us of your intention to Transfer your Placement Agency, we have the right to discuss your records, Gross Sales information, and other information with your prospective transferee.

12.3. Audit. We and/or our designated agents have the right at all reasonable times to examine and copy, at our expense, your books, records, accounts, sales tax records, Operational Data, and business tax returns relating to your Placement Agency. We also have the right, at any time, to have an independent audit made of your books and records or to require you to participate in a mail-in audit or any other form of audit in accordance with the Operations Manual. You agree to cooperate fully with our representatives and

independent accountants in any examination. If an inspection or audit reveals that any payments due to us have been understated in any report to us, then you must immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of one and one half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less. If an inspection or audit discloses an understatement in any report of three percent (3%) or more, you must, in addition to repaying money owed with interest, reimburse us for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wage expenses, and reasonable accounting and legal costs). The remedies in this Section 12.3 are in addition to any other remedies we may have as a result of your underreporting, including but not limited to the right to terminate this Agreement.

12.3.1. You must cooperate in scheduling any audit and providing access to records, which must be maintained and presented in reasonable order to allow the audit to be conducted in a reasonable time.

12.3.2. Your failure, refusal or neglect to dispute any fees or contributions that an audit reveals you owe, including any fees, costs and penalties assessed in connection with an audit, constitutes a waiver of any right to challenge such fees, unless you provides us written notice of your dispute, along with an explanation of the basis for your dispute, within thirty (30) days of the date we deliver the audit results to you in writing.

12.4. Consent to Use of Likeness and your Placement Agency. You agree that we have the right to use the likeness (including photographs or videos containing images) of: (a) you; (b) if you are a Business Entity, your Owners; and (c) any of the assets owned by your Placement Agency (including your Vehicle(s)), for any purposes relating to the promotion or marketing of the System or Marks.

13. YOUR OWNERS AND GUARANTORS; RELATIONSHIP BETWEEN THE PARTIES

13.1. Your Name. You may use "Senior Care Authority®" or our other Marks **only** as a "doing business as" (d/b/a) designation. You may not use other name in connection with any advertising or operation of your Placement Agency. We have the right to review and require changes to any display of your name or the Marks.

13.1.1. You may not include "Senior Care Authority®" or any of the Marks in your legal name.

13.1.2. If you operate your Business Office from a commercial space, you must post a conspicuous notice on or near the front entrance of your Placement Agency that clearly states: "EACH SENIOR CARE AUTHORITY® BUSINESS IS INDEPENDENTLY OWNED AND OPERATED" or any modification of this statement as we may require in the Operations Manual. You must also include this disclaimer on all business cards, stationery, promotional and advertising materials, website and Internet communications, real estate documents, and all other materials you use.

13.1.3. In all public records, in relationships with other persons, and on letterhead and business forms, you must indicate that you independently own your Placement Agency, and that you are solely a franchisee of Senior Care Authority, LLC

13.2. Relationship of Parties. The parties intend by this Agreement to establish between you and us only the relationship of franchisor and franchisee. You have no authority to create or assume in our name or on our behalf, any obligation, express or implied, or to act or purport to act as our agent or representative for any purpose whatsoever. Neither we nor you are the employer, employee, agent, partner or co-venturer of or with the other, each of us being independent. You will not hold yourself out as our agent, employee, partner or co-venturer. Neither you nor we have the power to bind or obligate the other except specifically

as stated in this Agreement. We and you agree that the relationship created by this Agreement is one of an independent contractor and not a fiduciary relationship.

13.2.1. We will not be obligated for any damages, claim, or obligation to any person or property, directly or indirectly arising out of your operation of your Placement Agency, whether or not caused by your negligent or willful action or failure to act, or your use of the Marks in a manner not in accordance with this Agreement. You must not use any of the Marks in signing any contract or in applying for any license or permit or in a manner that may result in our liability for your debts or obligations. Without limiting the generality of the foregoing, you acknowledge that we have no responsibility to ensure that your Placement Agency is developed and operated in compliance with all applicable laws, ordinances and regulations and that we shall have no liability in the event the development or operation of the Franchised Business violates any law, ordinance or regulation.

13.2.2. All employees or independent contractors hired by or working for you will be your employees or independent contractors alone and can never, under any circumstances or for any purpose, be deemed our employees or subject to our control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. You and we will file our own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation payments with respect to our respective employees and operations, and we will save and indemnify one another of and from any liability of any nature whatsoever by virtue thereof. Neither this Agreement nor our course of conduct is intended, nor may anything in this Agreement (nor our course of conduct) be construed, to state or imply that we are the employer of your employees and/or independent contractors, nor vice versa.

13.2.3. We will not have the power to hire or fire your employees. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or independent contractors for qualification to perform certain functions for your Placement Agency does not directly or indirectly vest in us the power to hire, fire or control any such employee or independent contractor. You alone are solely responsible for all hiring and employment decisions and functions relating to your Placement Agency, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, setting hours for, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. You agree that any direction you receive from us regarding employment policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel well-versed in employment law. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts any employee or employment related responsibility from you to us.

13.2.4. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Placement Agency and that under no circumstance will we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of System which you are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Placement Agency, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Placement Agency.

13.2.5. You acknowledge that we may, from time-to-time, make certain recommendations as to employment policies and procedures, which may include (among other things) a sexual harassment policy. You will have sole discretion in whether to adopt any such policies and procedures, and as to the specific terms of those policies and procedures. Training with respect to all such policies and procedures will be your sole responsibility.

13.3. Owners Agreement. You and each of your Owners who own a legal or beneficial interest in you of five percent (5%) or greater must, jointly and severally, sign the Owner Agreement attached as **Addendum 2,** and you and each of your Owners will otherwise bind yourselves to the terms of this Agreement. If the ownership interest is acquired after Effective Date, each new Owner must sign and provide the Owner Agreement to us within ten (10) days after obtaining the interest as an Owner.

14. INDEMNIFICATION; INSURANCE

14.1. Indemnification. You, and each of the Owners identified on **Addendum 1**, agree that you will, at all times, indemnify, exculpate, defend and hold harmless, to the fullest extent permitted by law, us, our successor, assigns, and Affiliates (including but not limited to Senior Care Authority, LLC) and the respective officers, directors, shareholders, agents, representatives, independent contractors, servants, and employees of each of them (the "**Indemnified Parties**") from all losses and expenses incurred in connection with any action, suit, proceeding, claim, damages (actual, consequential, or otherwise), demand, losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, investigation, or inquiry (formal or informal), or any settlement of any of them, which arises out of or is based upon any of the following:

14.1.1. The infringement, alleged infringement or any other violation by you, your Owners or principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties due to your unauthorized use of all or any portion of the Marks and/or System.

14.1.2. Your, or your Owners', violation, breach, or asserted violation or breach of any federal, state, or local law, regulation, ruling or industry standard.

14.1.3. Your, or your Owners', libel, slander, or any other form of defamation.

14.1.4. Your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees.

14.1.5. Your, or your Owners': (a) violation or breach of any warranty, representation, agreement, or obligation in this Agreement or in any other agreement between you and us or our Affiliates; (b) acts, errors, or omissions, or those by any of your Affiliates, any of your principals, officers, directors, shareholders, agents, representatives, independent contractors, or employees in connection with the establishment and operation of your Placement Agency, including, but not limited to, any acts, errors, or omissions of any of them in the operation of any motor vehicle or in the establishment or implementation of security for your Placement Agency.

14.1.6. Any damages, incidents, or claims listed in this Section 14.1 that are alleged to be caused by an Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, and damages are determined to be caused solely by the Indemnified Party's gross negligence or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

We have the right to defend any such action or claim against us, with counsel of our choosing, at your

expense. This indemnification will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. For the purposes of the indemnification in this Section 14.1 only, the term "claim" also includes all obligations and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountant, arbitrator, attorney, and expert witness fees, costs of investigation and proof of facts, court costs, and other expenses of litigation, arbitration, or alternative dispute resolution and travel and living expenses.

14.2. Mitigation Not Required. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

14.3. Insurance. You will carry continuously during the Term insurance of the types, in the amounts and with the coverage specified from time to time in the Operations Manual and in any lease between you and us. Until the Operations Manual specifies otherwise, you will carry insurance with the policy limits specified in the Summary Pages. Each policy must (1) be primary and non-contributory; (2) be issued by an insurance company(ies) with a rating of not less than "AVII" in the current Best Insurance Guide or approved by us; (3) name us and such Affiliates of ours as we may designate as "additional insureds" and will contain an "Additional Insured-Designated Person or Organization" endorsement (or equivalent), without any qualifying language; (4) provide that the insurance cannot be canceled or non-renewed, except upon 30 days advance written notice to us; (5) contain a waiver of subrogation rights of the insurer(s) against us and our designated Affiliates, which waiver will be effective regardless of whether any loss is caused by the act, omission or negligence of us and our designated Affiliates, and (6) will contain a "Waiver of Transfer Rights of Recovery Against Others" endorsement (or its equivalent).

14.3.1. Required Insurance. Our current standards require you to purchase and maintain, throughout the term of the Agreement: (1) professional liability (errors & omissions) and general liability insurance written on Occurrence Form coverage for the franchised business with limits of at least $1,000,000 per occurrence, $3,000,000 aggregate limit, and $100,000 damage to rented premises per occurrence ; (2) personal and advertising injury coverage of $1,000,000 per occurrence; (5) automobile liability, covering any automobile, including any hired or non-owned vehicles used in your Placement Agency's operation, of $1,000,000 coverage or higher amount if required by applicable law; (6) worker's compensation and employer's liability, which must meet statutory requirements of your state if applicable; and (7) other insurance to comply with applicable law. We may unilaterally modify our insurance requirements, which modifications may include increasing minimum policy limits, by delivering to you written notice of the change through the Operations Manual.

14.3.2. Recommended Insurance. We also recommend (but do not require) the following types of insurance: (1) if you have employees, employment practices liability insurance in an amount of $1,000,000 for each loss and $1,000,000 in costs ($2,000,000 total); (2) crime bond insurance in an amount recommended by your insurer, without a conviction clause; (3) abuse and molestation coverage in the amount of $100,000 per occurrence, $300,000 aggregate; (4) excess or umbrella liability insurance with limits of not less than $1,000,000 per occurrence, $1,000,000 aggregate.

14.3.3. Policies. You must furnish us certificates of insurance, all insurance policy endorsements and a copy of the insurance policy(ies), if requested by us to prove that such insurance coverage is in effect, both prior to the opening of the Placement Agency and thereafter, as requested by us (but in no event less than once per calendar year). Renewal insurance certificates of insurance will be delivered to us 30 days prior to the expiration date of each insurance policy. All deductible amounts

on all insurance policies required hereunder will be disclosed in writing to and approved in advance by us and noted on the applicable insurance certificate. If you fail to maintain the required insurance, we may, but will not be obligated to, obtain coverage on your behalf and charge the cost to you. You agree to reimburse us for the premium costs we incur to provide such coverage, plus an administrative fee equal to 20% of the cost of such premiums, within ten days after we submit a statement for our costs.

14.3.4. Acknowledgement. You acknowledge that the foregoing minimum insurance requirements do not constitute advice or a representation that such coverages are necessary or adequate to protect you from losses in connection with your Placement Agency. Nothing in this Agreement prevents or restricts you from acquiring and maintaining insurance with higher policy limits or lower deductibles than we require.

15. **ASSIGNMENT**

15.1. By Us. You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as our owners, directors, officers, and employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

15.2. Assignment by You. We have entered into this Agreement in reliance upon and in consideration of your singular personal skill and your qualifications, as well as the trust and confidence we have in you. Therefore, neither your interest in this Agreement, nor any interest in: (a) you; (b) any of your Owners; (c) substantially all of your assets; (d) your Placement Agency; or (e) a portion of your Territory (i.e., one or more of the Marketing Areas), can be assigned, transferred, given away or encumbered, voluntarily or involuntarily (a "**Transfer**"), without our prior written consent.

15.2.1. We will not unreasonably withhold approval of a Transfer if you comply with the conditions of this Article 15. Our consent to a Transfer will not be a waiver of any claims we may have against you.

15.2.2. If, after a Transfer approved by us, one of your Owners no longer has any interest in you or your Placement Agency, then that person will be relieved of liability for any obligations to us that arise *after* the date of the Transfer, except for obligations that arise under Articles 16 or 18.

15.3. Conditions for Approval of Transfer. We, in our discretion, may impose conditions on the Transfer, including the following:

15.3.1. You and your Owners must be in full compliance with this Agreement, and must have been in substantial compliance with this Agreement during the Term, and must pay all amounts then owed to us or our Affiliates.

15.3.2. The transferee must complete and submit all application documents required by us from prospective franchisees at the time of the assignment, meet all of our then-current standards for new prospective franchisees, and be approved in writing by us.

15.3.3. You must provide us with a complete copy of all contracts and related documentation between you and your prospective transferee relating to the intended Transfer.

15.3.4. The transferee must have, at our option, either: (i) assumed this Agreement by a written assumption agreement approved by us (which will include a personal guarantee(s) by the transferee, its principals and/or owners of a beneficial interest in transferee), or have agreed to do so at closing; or (ii) executed a replacement franchise agreement on the standard form of franchise agreement we are then offering to new franchisees, which may differ from this Agreement in all material respects, including but not limited to having a smaller Territory and higher or different fees than were required in or granted by this Agreement.

15.3.5. At the time you ask for our consent to a Transfer, you must pay us a transfer fee of fifteen thousand dollars ($15,000), regardless of the number of Marketing Areas you are Transferring. If your Transfer will be to an existing franchisee of ours, the transfer fee will be five thousand dollars ($5,000) per Marketing Area you are Transferring. Additionally, you or your transferee must pay us our then-current Onboarding Fee.

15.3.6. At the expense of either you or the transferee, upgrade, remodel, or replace the assets used by your Placement Agency, including any and all of your Vehicles and equipment, to conform to our then-current standards and specifications for new franchisees, and complete the upgrading, remodeling, or replacing and other requirements within the time specified by us.

15.3.7. Prior to the date of Transfer, your transferee and/or its designated manager must attend training as required under the-then current franchise agreement being used by us.

15.3.8. You and each Owner must have executed a general release, on our then-current form (our current form is attached to the Franchise Disclosure Document as **Exhibit E**), of any and all claims against us and our Affiliates and our and their respective officers, directors, shareholders, managers, members, agents and employees in their corporate and individual capacities; provided, however, that any release will not be inconsistent with any state law regulating franchising.

15.3.9. If any part of the sale price is financed, you must agree that all obligations of the transferee under any promissory note, other payment agreement, or financing statement will be subordinate to the obligations of the transferee to pay the Royalty Fee, the Marketing and Technology Support Fee, and other amounts due to us and our Affiliates pursuant to this Agreement.

15.3.10. If you work with a third-party broker (even one suggested by us) to sell your Placement Agency, you are solely responsible for paying the broker's fees as part of the Transfer.

15.3.11.You must execute a written agreement not to compete in favor of us and your transferee, with terms the same as those set forth in Sections 16.5 and 16.6.

15.3.12. You and your transferee must work out a transition plan to address the needs of your current and prospective clients, which is reasonably acceptable to us and complies with our then-current policies as stated in the Operations Manual.

15.4. Right of First Refusal. At least thirty (30) days before you intend to engage in a Transfer your Placement Agency, you must give written notice to us of your intention to make a Transfer. This notice must include a fully-executed copy of any sale document, and any documents referred to in that or those document(s).

15.4.1. We will have the right to acquire the transferred interest at the same price, and on the same terms and conditions, as contained in any bona-fide offer from a third party made to you. Our credit

will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed transferee). We will have up to sixty (60) days to close the purchase.

15.4.2. We must receive, and you and your Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a Business Entity, as applicable.

15.4.3. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section.

Any material change in the terms of any offer prior to closing, or your failure to close on the Transfer within one hundred twenty days (120) of submitting to us written notice of your intention to make the Transfer, will constitute a new offer subject to the same right of first refusal by us. This Section 15.4 will not apply to: (a) a Transfer by you or your Owners to an immediate adult family member of you or your Owners; or (b) if you are a Business Entity, the Transfer of your shares to an Owner who was identified on **Addendum 1** of this Agreement as of the Effective Date and has signed an Owner Agreement with us in the form attached as **Addendum 2**.

15.5. Limited Assignment Right for Sole Proprietorships or Partnerships. If you are a sole proprietorship or partnership, we expressly consent to the Transfer of this Agreement, without payment of a fee, to a Business Entity owned and controlled by the same Owners, provided that you and each of the Owners execute: (a) an assignment agreement; and (b) the Owner Agreement attached as **Addendum 2**, and provided that you comply with the requirements of Section 1.5. You must notify us in writing of any proposed Transfer under this Section 15.5 and must provide and/or sign all documents we request including, but not limited to, assignment documents, articles of incorporation or organization and bylaws.

15.6. Death or Disability of You or Your Owners. Upon the death or permanent incapacity (mental or physical) of you or of any Owner who has a controlling interest in you, the executor, administrator, or personal representative of such person must Transfer such interest to a third party approved by us within one hundred eighty (180) days after such death or mental incapacity. Such Transfers, including, without limitation, Transfers by devise or inheritance, will be subject to the same conditions as an inter vivos transfer. In the case of Transfer by devise or inheritance, however, if the heirs or beneficiaries of any such person are unable to meet the conditions of this Section 15.6, the executor, administrator, or personal representative of the decedent must Transfer the decedent's interest to another party approved by us within one hundred eighty (180) days, which disposition will be subject to all the terms and conditions for Transfer contained in this Agreement. If the interest is not disposed of within the one hundred eighty (180) day period, we may, at our option, terminate this Agreement. In the event of your death or disability (if you are an individual), the Transfer of your interest in this Agreement and your Placement Agency by will or intestate succession, or conveyance of such interest in the event of disability, to your individual heirs, will require our written consent, but will not give rise to our right of first refusal under Section 15.4. However, our right of first refusal will apply to any proposed Transfer or assignment by such heirs.

15.7. Termination, Resignation, Death or Disability of Designated Manager. If, due to termination, resignation, death, or disability, no one is able to perform management or training supervisory duties relating to your Placement Agency, you must, within a reasonable time not to exceed sixty (60) days from the date of termination, resignation, death, or disability, appoint a new Designated Manager. Each new Designated Manager must, at your expense, attend and complete the Training Program to our satisfaction. If, in our sole judgment, your Placement Agency is not being managed properly, or your trainers are not being adequately supervised, at any time after the Designated Manager's termination, resignation, death, or disability, we will have the right (but not the obligation) to exercise our step-in rights under Section 17.9.

16. **COMPETITION; PROTECTION OF OUR CONFIDENTIAL INFORMATION**

16.1. Your Acknowledgement. You acknowledge that you will obtain knowledge of our Confidential Information that is essential to the operation of your Placement Agency, without which information you could not effectively and efficiently operate it. You further acknowledge that such Confidential Information was not known to you prior to execution of this Agreement. You further acknowledge and agree that all of the Confidential Information is our sole property, represents our valuable assets, and that we have the right to use the Confidential Information in any manner we wish at any time.

16.2. Use and Disclosure of Confidential Information. You will not use any Confidential Information for any purpose other than in the manner we permit or direct. You may disclose Confidential Information only to such of your employees, agents, independent contractors and representatives as reasonably necessary in order to operate your Placement Agency. You may not, during the Term or afterward, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except to such employees and independent agents as must have access to it in order to operate your Placement Agency, and you agree that your use of Confidential Information for any purpose other than the development and operation of your Placement Agency in accordance with this agreement would constitute unfair competition. Any and all Confidential Information may not be used for any purpose other than conducting your Placement Agency. You agree not to make any copies of, reproductions of, or extracts of any Confidential Information except strictly incidental to, and solely in furtherance and within the scope of your relationship with us. You will never reveal any Confidential Information to any person, except as permitted by this Agreement or pursuant to an order from a court of competent jurisdiction. In the event that you should receive such a court order, you must provide us immediate oral and written notice of such order, and must cooperate with us in protecting the secret nature of the Confidential Information.

16.3. Preservation of Confidentiality. You must not permit any person (including your Owners, Designated Manager, principals, officers, directors, independent contractors and employees) to access Confidential Information (including the Operations Manual) without first requiring them to execute confidentiality agreements, in a form we approve, requiring that all Confidential Information that may be acquired by or imparted to such person be held in strict confidence and used solely for the benefit of you and us. You must ensure that each of your Owners execute the Owner Agreement, attached to this Agreement as **Addendum 2**. All confidentiality agreements described in this Section 16.3 must include a specific identification of us as a third-party beneficiary with the independent right to enforce the agreement. Our current approved form is attached to our Franchise Disclosure Document as **Exhibit H**.

16.4. Covenant Not to Compete: During Term. You covenant and agree that, during the Term and any successor term(s), neither you nor your Owners, Designated Manager(s), officers, directors, members, and partners nor any of your or their immediate family members will directly or indirectly own, invest in, partner with, direct, serve as an officer or director for, be employed by, act as consultant for, represent, act as an agent for, or divert or attempt to divert any client, person, or business to, any Competitive Business anywhere.

16.5. Covenant Not to Compete: After Term. For the reasons stated in Section 16.1 above, you covenant and agree that, for a period of two (2) years after the termination of this Agreement or any successor to this Agreement, regardless of the reason, cause, purpose, or source of the termination (including but not limited to your Transfer of this Agreement), neither you nor your owners, managers, Designated Manager(s), officers, directors, members, and partners will directly or indirectly own, invest in, partner with, direct, serve as an officer or director for, be employed by, act as a consultant for, represent, or act as an agent for, any Competitive Business within twenty-five (25) miles of: (a) the Territory; or (b) any other Placement Agency that is then operating or under development.

16.6. Covenant Not to Solicit. You agree that, during the Term or any successor term(s), and for a period of two (2) years after the termination or expiration of this Agreement or any successor agreement(s), you will not divert, attempt to divert, accept consideration from, or establish a business relationship with, any Facility that has a relationship with any Placement Agency to a Competitive Business.

16.7. You Acknowledge that these Covenants Are Reasonable. You agree that all covenants in this Agreement and this Article 16 are fair and reasonable in both duration and area, and will not impose any undue hardship on you. You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to enforcement by us of the covenants in this Article. You further acknowledge that a violation of any covenant in this Article 16 will cause us irreparable harm, the exact amount of which may not ascertainable, and therefore, you consent that in the event of such violation, we will, as a matter of right, be entitled to apply for injunctive relief to restrain you, or anyone acting for you or on your behalf, from violating said covenants. Such remedies, however, are cumulative and in addition to any of the remedies to which we may then be entitled. The covenants set forth in this Article 16 will survive the termination, expiration or Transfer of this Agreement. You agree to pay all costs and expenses, including, without limitation, reasonable attorneys' fees, that we incur in connection with our enforcement of the covenants in this Article 16. YOU EXPRESSLY ACKNOWLEDGE THAT YOU POSSESS SKILLS AND ABILITIES OF A GENERAL NATURE AND HAVE OTHER OPPORTUNITIES TO EXPLOIT SUCH SKILLS. CONSEQUENTLY, YOU REPRESENT TO US THAT ENFORCEMENT OF THE COVENANTS SET FORTH ABOVE WILL NOT DEPRIVE YOU OF THE ABILITY TO EARN A LIVING.

16.8. Covenants Are Severable; Tolling. The parties agree that each covenant in this Article 16 is construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Agreement is held unenforceable or unreasonable by a court or agency having competent jurisdiction in any final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resultant covenant were separately stated in and part of this Agreement. Any period of time specified in this Article 16 will be tolled and suspended for any period of time during which you are in violation of any restrictive covenant.

16.9. Limited Exclusion. The restrictions contained in Sections 16.4 and 16.5 above will not apply to ownership of less than two percent (2%) of the shares of a company whose shares are listed and traded on a national securities exchange if such shares are owned for investment only.

17. DEFAULT; TERMINATION

17.1. Automatic Termination Without Notice. You are in material breach of this Agreement, and this Agreement will automatically terminate without notice, if:

17.1.1. Insolvency. You become insolvent or make a general assignment for the benefit of creditors.

17.1.2. Filing of Bankruptcy Petition. You file a petition in bankruptcy, or such a petition is filed against you and you do not oppose it.

17.1.3. Adjudication of Bankruptcy. You are adjudicated as bankrupt or insolvent.

17.1.4. Receivership. A bill in equity or other proceeding for the appointment of a receiver of: (1) you; (2) your Placement Agency; or (3) another custodian for your business or assets, is filed or consented to by you, or if a receiver or other custodian (permanent or temporary) of your assets or property, or any part of them, is appointed by any court of competent jurisdiction.

17.1.5. Creditor Composition Proceedings. Proceedings for a composition with creditors under any state or federal law is instituted by or against you.

17.1.6. Final Judgment. A final judgment against you in the amount of twenty five thousand ($25,000) dollars or more remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed).

17.1.7. Dissolution. You voluntarily dissolve or liquidate, or have a petition filed for corporate or partnership dissolution filed against you and the petition is not dismissed within thirty (30) days.

17.1.8. Execution. Execution is levied against your business or property.

17.1.9. Levy or Foreclosure. The real or personal property of your Placement Agency is sold after levy by any sheriff, marshal, or constable, or a suit is filed to foreclose a lien or mortgage against any of your assets and it is not dismissed within thirty (30) days.

17.2. Immediate Termination With Notice and No Opportunity to Cure. We will have the right to terminate this Agreement immediately, without providing you an opportunity to cure, upon our delivery of written notice to you under any of the following circumstances:

17.2.1. Failure to Open. You fail to open your Placement Agency on or before the Commencement Deadline.

17.2.2. Abandonment. You fail to keep your Placement Agency operating for a period of five (5) consecutive days, except as may be allowed by us in the Operations Manual or otherwise in writing.

17.2.3. Failure to Maintain Licenses and Permits. You fail to maintain all required professional licenses, permits, and certifications for a period exceeding five (5) business days.

17.2.4. Certain Acts. Conduct or activity by you, your Designated Manager(s), or Owners that is reasonably likely to have an adverse effect or reflect unfavorably on your Placement Agency, us, the System, Placement Agencies generally, the Marks, or the goodwill associated with them, including (but not limited to) a felony conviction of you or of any of your Owners, or Designated Manager(s).

17.2.5. Unauthorized Assignment. You or an Owner purport to sell, assign, Transfer or encumber this Agreement, your Placement Agency or an interest in you without our prior written consent in violation of Article 15.

17.2.6. Failure to Comply With Laws. You fail to comply with any material Legal Requirement applicable to the operation of your Placement Agency, and fail within the time period allowed by law (if applicable) to cure the noncompliance following your receipt of notice of the noncompliance. If no time period is specified, the cure period will be twenty-four (24) hours from the receipt of such notice.

17.2.7. Repeated Defaults. We deliver to you two or more written notices of default pursuant to this Article 17 within any twelve (12) month period, whether or not the defaults described in the notices ultimately are cured.

17.2.8. Understating Gross Sales. You submit on two or more occasions during the Term a report, financial statement, tax return, schedule or other information or supporting record (including submission by or through the Computer System) which understates your Gross Sales by more than three percent (3%). This provision will not apply if you can demonstrate that the understatement resulted from an inadvertent error or error made by the Computer System.

17.2.9. Material Misrepresentations. You make any material misrepresentations relating to the acquisition of your Placement Agency or in connection with the operation of your Placement Agency.

17.2.10. Failure to Allow Audit or Inspection. You refuse to allow or cooperate with the audits or inspections by us described in Article 12.

17.2.11. Violation of Restrictive Covenants. You, your Owners, or any of the individuals identified in Article 16 violate any of the restrictive covenants against competition or use or disclosure of our Confidential Information in Article 16.

17.2.12. Interference With Relationships. You interfere or attempt to interfere with our actual or prospective contractual relations with Approved Suppliers, other Placement Agencies, employees, advertising agencies or any third parties.

17.2.13. Sale of Unapproved Products or Services. You offer or sell as part of your Placement Agency any unapproved product, service or program; do not sell Authorized Products or Services, or do not use or disseminate (as applicable) all materials, notices and procedures specified by us.

17.2.14. Intellectual Property Misuse. If you challenge the validity of, materially misuse, or make any unauthorized use, disclosure, or duplication of, the Marks or Confidential Information (excluding only independent acts of your employees or others if you exercised your best efforts to prevent such disclosures or use).

17.2.15. Anti-Terrorism Laws. You violate, or make any misrepresentation regarding your compliance with, or violation of, Anti-Terrorism Laws by you, your Owners, officers, directors, Designated Managers, managers, members, partners, or agents.

17.2.16. Operation After Death or Incapacity. You fail to maintain your Placement Agency under the primary supervision of a Designated Manager during the one-hundred-eighty (180) days following the death or incapacity of you or any of your Owners.

17.2.17. Failure to Place Customers. You fail to place any Customers at a Facility for an uninterrupted six (6) month period.

17.3. Termination After Cure Period. We have the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure the following defaults within the following cure periods:

17.3.1. Thirty Day Cure Period. You will have thirty (30) days after delivery of written notice to cure the following defaults: (a) your Owners are engaged in a dispute with one another (deadlock) that materially affects the operation of your Placement Agency, which dispute or deadlock remains unresolved after the expiration of the thirty (30) day cure period; (b) you fail to resolve client complaints and/or disputes as required by Section 9.9; (c) you fail to make a timely payment of any amount due to an Approved Supplier unaffiliated with us (other than payments which are subject to a bona fide dispute); or (d) any other default by you under this Agreement not expressly identified in Sections 17.1, 17.2, 17.4, or this 17.3.

17.3.2. Ten Day Cure Period. You will have ten (10) days to cure a default for your failure to obtain or maintain required insurance coverage.

17.3.3. Five Day Cure Period. You will have five (5) days to cure a default for your failure to pay: (a) any amounts due to us; (b) all amounts for which we have advanced funds for or on your behalf, or upon which we are acting as guarantor of your obligations.

We will have the right to terminate the Agreement after the expiration of the cure period if you do not correct your default after we deliver to you notice of your failure to comply. The description of any breach in any notice served by us upon you will in no way preclude us from specifying additional or supplemental breaches in any action, arbitration, hearing or suit relating to this Agreement or its termination.

17.4. Termination of Undeveloped Marketing Areas. If you do not commence marketing and operations within a Marketing Area by the specified Marketing Deadline, you will receive written notice and a thirty (30) day cure period. If you fail to rectify the default within that time, we have the right to terminate your operating rights in all Marketing Areas where you have not commenced marketing and operations. If we do this, your Territory will be reduced by all of the Marketing Areas in which you have not begun marketing and operating.

17.5. Effect of Laws; Election by us not to Terminate Immediately. If applicable law will not allow the termination of this Agreement immediately as stated in Sections 17.1 or 17.2 above, or if we elect not to have the default result in the immediate termination of this Agreement, the concerned default will be subject to the provisions of, and the cure period stated in, Section 17.3.1. If applicable law requires a longer cure period than that specified in this Agreement, the longer period will apply.

17.6. Our Pre-Termination Options. If you fail to pay any amount owed under this Agreement, or fail to comply with any term of this Agreement or the Operations Manual (subject to applicable notice and cure periods), then, in addition to our right to terminate this Agreement or to bring a claim for damages, we have the following options as we deem necessary:

17.6.1. To suspend all services provided to you under this Agreement or otherwise, including training, marketing assistance, and the sale of products and supplies.

17.6.2. To eliminate listing you in any advertising, marketing or promotional materials, including any directory listings, approved or published by us, and our principal website.

We may continue taking these actions until you comply with the requirements of any default notice that we have sent to you, and we acknowledge your compliance in writing. The options in this Section 17.6 will have no effect on, and will not release you from, any obligation you owe to us or to our Affiliates.

17.7. Termination by You. You can terminate this Agreement only with our prior written consent, or if we commit a material breach of this Agreement that is not cured within thirty (30) days after written notice from you. If the nature of the breach is such that we will be unable to cure it within the required thirty (30) day period, we can take such additional time as may be reasonably necessary within which to cure said breach provided that we have begun taking corrective action within the thirty (30) day period, and we pursue it diligently to completion.

17.8. Cross-Default. Any default by you under any agreement between you and us or you and our Affiliates, and your failure to cure within any applicable cure period, will be considered a default under this Agreement and will provide an independent basis for us to terminate this Agreement. If the default under the other agreement is such that it would entitle us to immediately terminate that other agreement, then we will be entitled to immediately terminate this Agreement in the manner stated in Section 17.2.

17.9. Step-In Rights and Management. To prevent any interruption of business of your Placement Agency and any injury to the goodwill and reputation of your Placement Agency, the System, or other Placement Agencies which may be caused by such interruption, in the event of: (a) your default under this Agreement; (b) our termination of the Agreement under Sections 17.1 through 17.3; or (c) your death or permanent incapacity (mental or physical), we will have the right (but not the obligation) to operate your Placement Agency for as long as we deem necessary and practical. You hereby authorize us to undertake such operation, and agree that our operation of and making corrections to, your Placement Agency within our reasonable business judgment will not make us or our agents guilty of trespass or any other tort, and that our exercising these rights will not constitute a waiver of any other rights or remedies we may have under this Agreement. If we operate your Placement Agency, we will have the right to collect and pay from the revenues of your Placement Agency all expenses relating to the operation of your Placement Agency including, without limitation, Royalty Fees, Marketing and Technology Fees, employee salaries, reimbursement of our expenses incurred in connection with such operation (including travel, lodging, and living expenses), and a management fee of five hundred dollars ($500) per day. You must indemnify and hold us harmless from any and all claims arising from the alleged acts and omissions of us and our representatives in exercising rights under this Section.

18. POST TERMINATION OBLIGATIONS

Upon termination or expiration of this Agreement for any reason (including a Transfer by you):

18.1. Cease Use of Marks and System Materials. You must immediately cease all use of the Marks and the Operations Manual, materials relating to the System and its operation, and Confidential Information, and you must not use any trademarks, tradenames, service marks, or other commercial symbols that indicate or suggest a connection with us.

18.2. Representations of Affiliation. You must refrain from any representation whatsoever that you are our franchisee, or that you are or have been affiliated with us, and you must take any affirmative action necessary to remove any use of the Marks in connection with your Placement Agency. You must, at our option and request, assign to us all rights to all telephone numbers, e-mail addresses, URLs, domain names, social media identities, Internet listings, and Internet accounts related to your Placement Agency. If you do not voluntarily comply with this Section 18.2, we may, at our option, execute in your name and on your behalf, any and all documents necessary to end your use of the Marks and you irrevocably appoint the person serving as our manager or President as your attorney-in-fact to do so. You must take all actions as may be required to cancel all fictitious or assumed names or equivalent registrations relating to your use of any of the Marks.

18.3. De-Identification. You must modify the Business Office, including all equipment and Vehicles used by your Placement Agency (including, without limitation, the changing of the color scheme and other distinctive design features, and the changing of and assigning to us of, the telephone numbers) as may be necessary to distinguish the appearance of your Placement Agency from that of other Placement Agencies, and you must make such specific additional changes to your Placement Agency as we may reasonably request for that purpose. Such de-identification must be completed within fifteen (15) days after expiration or termination of this Agreement. If your Business Office is located anywhere other than your home, if we ask you to do so, you must immediately assign to us the lease that is in effect for your Business Office.

18.4. Payment; Security Interest. You must pay all sums you owe to us or our Affiliates under the terms of any agreement with us or our Affiliates within fifteen (15) days of termination or expiration of this Agreement, or such later date that any amounts due have been determined by us. Said sums will include all interest, damages, costs and expenses, including reasonable attorneys' fees, incurred by us, whether or not said sums are incurred prior to or subsequent to the termination or expiration of this Agreement. Said sums

will also include the Liquidated Damages and all other costs and expenses, including, without limitation, reasonable attorneys' fees, costs, and expenses incurred by us in obtaining injunctive or other relief to enforce the provisions of this Agreement. You grant to us a security interest (which will be subordinate to any purchase money security interest) in any equipment, inventory, supplies, furniture and fixtures and goods represented thereby, to the extent that we have not received all funds due and owing from you. This Agreement will constitute a security agreement granting to us a security interest in the above mentioned collateral, and you must execute any and all financing statements required by us to perfect our security interest in the collateral.

18.5. Return of Operations Manual and Other Confidential Information. You must, within ten (10) days of the termination, deliver to us the Operations Manual and all Confidential Information, Intellectual Property, contracts with Facilities; records, files, computer programs, software, Operational Data, records, files, instructions, correspondence, and any and all other materials relating to the operation of your Placement Agency that were provided to you, or held by a third party on your behalf, and all copies of it (all of which you acknowledge is our property). You will retain no copy or record of any of the foregoing, with the exception only of your copy of this Agreement, correspondence between the parties and any other documents which you reasonably need to comply with law.

18.6. Our Right to Purchase Tangible Assets. We will have the option to purchase your interest (if any) in any or all of your Placement Agency's Vehicles, equipment, supplies, and signs for a purchase price equal to the lesser of your cost or then-current fair market value, to be determined by a qualified independent third party of our choosing, and may set off against the purchase price any amounts that you owe to us. We will exercise our option by delivering written notice before or within thirty (30) days after this Agreement expires or is terminated.

18.7. Liquidated Damages. If this Agreement is terminated early (meaning any termination before the end of the Term, except for mutual termination or your termination under Section 17.7), you must pay us liquidated damages ("**Liquidated Damages**") within fifteen (15) days of the early termination. You agree that the Liquidated Damages are not a penalty, and acknowledge that it would be impracticable or extremely difficult for us to calculate the actual amount of Royalty Fees you would have owed through the end of the Term. Therefore, the parties agree that the following method of calculation represents a fair and reasonable estimate of our damages. Liquidated damages are calculated by multiplying the greater of the following two amounts by 24 months: (a) the combined monthly average of Royalty Fees (excluding any fee waivers or reductions) owed from the opening date of your Placement Agency to the early termination date; or (b) if you were not in the System for 24 months, the Minimum Monthly Royalty that would have been paid over 24 months had you remained in the System.

18.8. Use of Operational Data and Other Information. We have the right, during and after the Term, to access and use: (i) all information you provide to us contained in your sales and transaction reports, through the Computer System, and in such other operational reports that we request from you; (ii) Operational Data; and (iii) the contact information of you or your Owners. We may use this information for business purposes that may include, without limitation, public relations, advertising, statistical compilations, investigations and resolutions of client complaints, and quality surveys. We have the right, after termination, to continue to use the information referred to in this Section 18.8. After termination or expiration of the Agreement, we will have the exclusive right to use Operational Data, and to make the Operational Data available to other Placement Agencies for such purposes as we deem appropriate.

18.9. Termination Without Prejudice. The expiration or termination of this Agreement will not relieve you of any of your obligations to us existing at the time of expiration or termination, nor will it terminate those of your obligations which, by their nature, survive the expiration or termination of this Agreement. The expiration or termination of this Agreement will be without prejudice to our rights against you; and in

the event of a termination which is the result of your material breach or default under this Agreement, we will, in addition to our rights set forth above, also be entitled to all other rights and remedies that are available to us at law or in equity.

19. GOVERNING LAW; DISPUTE RESOLUTION

19.1. Governing Law. Article 16 (your covenants to maintain the secrecy of our Confidential Information and to not compete with us or other Placement Agencies) is governed by and must be interpreted in accordance of the laws of the state where your Territory is located. All other provisions of this Agreement are governed by and must be interpreted in accordance with the laws of the state of Nevada, without reference to conflict of laws principles. By agreeing to the application of Nevada law, the parties do not intend to make this Agreement or their relationship subject to any franchise, dealership, distributorship, business opportunity, or other statute, rule, or regulation of the state of Nevada to which this Agreement or the parties' relationship would not otherwise be subject. We and you each acknowledge and agree that this choice of applicable state law provides you and us with the mutual benefit of uniform interpretation of this Agreement. You expressly waive any rights or protections you have or may have under any statute or law of any other state to the fullest extent permitted by law. This Agreement may be deemed to be amended from time to time as may be necessary to bring any of its provisions into conformity with valid applicable laws or regulations.

19.2. Mandatory Mediation. Except as provided in Section 19.4, if any Dispute cannot be settled through direct discussions, the parties agree to submit the Dispute to mediation before resorting to arbitration. Mediation will be administered by the American Arbitration Association ("**AAA**") under its then-current Commercial Mediation Procedures ("**Mediation Procedures**") and before a mediator selected under them. Mediation will not defer or suspend our exercise of any termination right under Article 17. All aspects of the mediation process will be treated as confidential, may not be disclosed to others, and must not be offered or admissible in any other proceeding or legal action whatsoever.

19.2.1. Deadline for Mediation. The party requesting mediation must provide written notice of the request for mediation to the other party in the manner prescribed in the Mediation Procedures. The request must specify with reasonable particularity the matters for which mediation is sought. Mediation must be concluded within thirty (30) days of the issuance of the written request for mediation, or such longer period as the parties may agree upon in writing.

19.2.2. Location. The mediation must be held in Las Vegas, Nevada or at the AAA office closest to our then-current headquarters if we are no longer headquartered in Las Vegas, Nevada.

19.2.3. Cost of Mediation and Consequences of Failure to Comply. The parties will equally share the cost of the mediation, including administrative costs and mediator fees. Should a party refuse to pay its share of the costs and fees in advance of mediation, that party will be in default of this agreement, and the Dispute may proceed directly to arbitration without mediation. Any costs or fees, including attorney fees, incurred by the non-defaulting party in pursuing mediation may be sought as damages in arbitration.

19.3. Arbitration. Except as specifically provided in this Agreement, any Dispute that is not resolved through mediation must be settled by binding arbitration administered by the American Arbitration Association in accordance with its then-current Commercial Arbitration Rules ("**Commercial Rules**"). Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the parties.

19.3.1. Governed by Federal Arbitration Act. The parties acknowledge that this Agreement evidences a transaction involving interstate commerce, and that any arbitration conducted under this Agreement will be governed by the Federal Arbitration Act (9 U.S.C., Secs. 1-16). The parties intend and agree that any state laws attempting to prohibit arbitration or void out-of-state forums for arbitration are preempted by the Federal Arbitration Act, and that arbitration must be conducted as provided in this Section 19.3.

19.3.2. Appointment of Arbitrator. The Dispute will be heard by a single arbitrator, chosen in accordance with the Commercial Rules. The arbitrator, and not any court, will have the sole authority to decide the Dispute, as well as to determine arbitrability of any Dispute.

19.3.3. Qualifications of the Arbitrator. At the option of either party, the arbitrator must be selected from a list of retired federal or state judges supplied by AAA, if available, who have substantive experience in franchise law.

19.3.4. Claims Barred. In connection with any arbitration proceeding, each party must submit any Dispute or claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) in the arbitration. Any such claim which is not submitted or filed as described above will be forever barred.

19.3.5. Payment of Fees and Costs. The parties will equally bear all administrative costs and arbitrator fees in accordance with the Commercial Rules. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges will constitute a waiver by that party to present any evidence or cross-examine witnesses. In such event, the other party will be required to present evidence and legal argument as the arbitrator may require for the making of an award. Such waiver will not allow for a default judgment or award against the non-paying party in the absence of evidence presented as provided for above.

19.3.6. Mandatory Exchange of Information. In all matters, the parties must exchange the following information within 20 days of the appointment of the arbitrator without further order form the arbitrator. The parties must exchange the name and, if known, the address and telephone number of each individual likely to have information regarding any matter not privileged which is relevant to the subject matter involved in the Dispute, regardless of whether it relates to the claim or defense of the party or that of another party to the Dispute. The disclosure must include any witness anticipated for impeachment or rebuttal. The identifying party must identify the subject(s) on which the witness may provide testimony. The parties must also disclose and provide a copy of all documents, data compilations, and tangible things that are in the possession, custody, or control of the party regarding any matter not privileged which is relevant to the subject matter involved in the Dispute, regardless of whether it relates to the claim or defense of the party or that of the other party. The arbitrator may entertain a request to compel the exchange of information or documents not provided by a party in possession of them.

19.3.7. Discovery. Each side may take three depositions. Neither side's depositions may consume more than a total of 18 hours. No party may make a speaking objection at a deposition, except to preserve privilege. The total period for the taking of depositions shall not exceed six weeks. No interrogatories or requests to admit may be propounded by either party.

19.3.8. Location. The arbitration must be held in Las Vegas, Nevada or at the AAA office closest to our then-current headquarters if we are no longer headquartered in Las Vegas, Nevada.

19.3.9. Time of Final Arbitration Hearing. The final arbitration hearing must be held no later than nine months from the date of the arbitration demand.

19.3.10. Timing; Type of Award. The arbitrator must agree to comply with the schedule stated in Section 19.3.919.3.9 before accepting appointment. However, this time limit may be extended by the arbitrator for good cause shown, or by mutual agreement of the parties. The award of the arbitrator must be accompanied by a reasoned opinion. The arbitrator may not declare any trademarks owned by us or our Affiliates generic or invalid.

19.3.11. Award of Fees and Costs. The arbitrator must award to the prevailing party, if any, as determined by the arbitrator(s), all of their costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including arbitrator fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and attorney fees. "Prevailing party" is the party which has obtained the greatest net award in terms of money or money equivalent. If money or money equivalent has not been awarded, then the prevailing party will be that party which has prevailed on a majority of the material issues decided. The "net award" is determined by subtracting the smallest award of money or money equivalent from the largest award. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has prevailed over the other party using reasonable business and the arbitrator's judgment.

19.4. Injunctive Relief. You acknowledge that a breach of this Agreement by you, which relates to any of the matters set out below, will cause us irreparable harm for which monetary damages are an inadequate remedy. Therefore, in addition to any other remedies we have under this Agreement, we are entitled to seek and obtain the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement with respect to: (i) the Marks; (ii) the System; (iii) Intellectual Property; (iv) the obligations of you upon termination or expiration of this Agreement; (v) Transfers; (vi) Confidential Information; (vii) covenants not to compete with us; and (viii) any act or omission by you or your employees that: (a) constitutes a violation of any Legal Requirement; (b) is dishonest or misleading to customers of your Placement Agency or other Placement Agencies; (c) constitutes a danger to your employees or to the public; or (d) may impair the goodwill associated with the Marks or the System. You are entitled to seek and obtain the entry of temporary and permanent injunctions to prevent our improper termination of this Agreement. The parties agree that such requests may be heard by the arbitrators or by a court (subject to Section 19.9), at the election of the party seeking the same. Neither party will be required to first mediate any claim for injunctive relief. Should a party elect to have its request heard by arbitrators, all such requests shall be heard in accordance with the then-current Commercial Rules. Neither party is required to post a bond or other security with respect to obtaining injunctive relief. If we secure any such injunction, you agree to pay to us an amount equal to the aggregate of our costs and expenses, including without limitation reasonable attorney fees, costs, and expenses, that we incur in obtaining such relief. You agree that your sole remedy, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held. You waive all claims for damages by reason of the wrongful issuance of any such injunction.

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19.5. Waiver of Right to Jury Trial. Each party hereby irrevocably waives its rights to trial by jury regarding any Dispute or proceeding arising out of this agreement or the transactions relating to its subject matter.

Your Initials:_____ Our Initials:_____

19.6. Waiver of Right to Bring Class, Group, or Collective Action. Arbitration or litigation of any Dispute must proceed solely on an individual basis. The parties expressly and irrevocably waive the right for any Dispute to be arbitrated or litigated on a class action basis, or on bases involving Disputes arbitrated or litigated in a purported representative capacity on behalf of others. The authority of a court or arbitrator to resolve Disputes and make written awards or judgments is limited to Disputes between you and us alone. Disputes may not be joined or consolidated with any other Dispute(s) unless agreed to in writing by all parties. No arbitration award or court decision will have any preclusive effect as to issues or claims in any Dispute with any person or entity not a named party to the arbitration. No previous course of dealing will be admissible to explain, modify, or contradict the terms of this agreement.

Your Initials:_____ Our Initials:_____

19.7. Waiver of Claim for Punitive Damages. To the extent permitted by applicable law, neither of the parties may assert, and each party waives, any claim against the other party (including their respective Affiliates, partners, stockholders, members, officers, directors, agents, employees and controlling persons), on any theory of liability for special, indirect, consequential, or punitive damages (as opposed to direct or actual damages) for any Dispute. The parties further agree that in the event of a Dispute, each of the parties will be limited to the recovery of any: (a) actual damages sustained by it; (b) Liquidated Damages as provided in Section 18.7; and (c) statutory trademark law treble damages. If such claims for punitive damages cannot be waived by law, then the parties agree that any recovery will not exceed two (2) times actual damages.

Your Initials:_____ Our Initials:_____

19.8. Legal Fees and Expenses. If either party initiates a judicial or other proceeding, the prevailing party in such proceeding will be entitled to reimbursement of its costs and expenses, including reasonable attorney fees. "Costs and expenses" mean all reasonable pre-award expenses of the arbitration, including arbitrator fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and attorney fees. "Prevailing party" is the party which has obtained the greatest net award in terms of money or money equivalent. If money or money equivalent has not been awarded, then the prevailing party will be that party which has prevailed on a majority of the material issues decided.

19.9. Choice of Forum. **To the extent that a judicial action is expressly permitted by Section 19.4, any cause of action any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties must be brought in a court of competent jurisdiction in Las Vegas, Nevada, or, if our principal place of business is in a city other than Las Vegas, Nevada, then the federal or state court for the jurisdiction in which we then have our principal place of business. Both parties irrevocably submit themselves to, and consent to, the exclusive jurisdiction of said courts**. The provisions of this Section 19.9 will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this Section 19.9, and with complete understanding, agree to be bound by this provision.

19.10. Claims Limitation Period. Unless prohibited by Legal Requirements, any legal action or proceeding (including mediation or arbitration) brought or instituted by you with respect to any Dispute must be brought or instituted within a period of one (1) year from the date you discover the conduct or event that is the basis of the legal action or proceeding, except that the one (1) year period will be tolled only during the pendency of any mediation required by Section 19.2. Any such claim which is not submitted or filed as described above shall be forever barred.

20. **GENERAL PROVISIONS**.

20.1. Severability. All provisions of this Agreement are severable. If pursuant to the decision of any court having jurisdiction, any provisions are not enforceable in whole or in part, the remainder of this Agreement will continue to be in full force and effect, and the affected provisions will be superseded and modified by such applicable law.

20.2. Approvals. Whenever this Agreement requires our prior approval or consent before you take any action, you must make a timely written request to us, and our approval or consent must be obtained in writing. We will not unreasonably withhold or unreasonably delay our response. By providing any waiver, approval, consent, or suggestion to you or in connection with any consent, or by reason of any neglect, delay, or denial of any request, we make no warranties or guarantees, and assume no liability or obligation to you.

20.3. No Modifications; Waiver. No waiver or modification of this Agreement or of any covenant, condition, or limitation will be valid unless it is made in writing and duly executed by the party to be charged with it. No evidence of any waiver or modification may be offered or received in evidence in any proceeding between the parties arising out of or affecting this Agreement, or the rights or obligations of any party, unless such waiver or modification is in writing, duly executed. Our waiver of your breach of any term of this Agreement applies only to that one breach and that one term, and not to any subsequent breach of any term. Acceptance by us of any payments due under this Agreement will not be deemed to be a waiver by us of any preceding breach by you of any term.

20.4. Force Majeure. Except for monetary obligations under, or as otherwise specifically provided for in, this Agreement, if either party to this Agreement is delayed or hindered in or prevented from the performance of any act required under this Agreement by Force Majeure, then performance of such act is excused for the period of the delay, but no such delay will exceed ninety (90) days. If your Placement Agency is damaged or destroyed due to a Force Majeure event, you must initiate within thirty (30) days (and continue until completion) all repairs or reconstruction to restore your Placement Agency to its original condition. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct your Placement Agency in accordance with the then-standard layout and décor specifications for Placement Agencies, we may require you to repair or reconstruct your Placement Agency in accordance with those specifications.

20.5. Rights are Cumulative. Our and your rights under this Agreement are cumulative, and no exercise or enforcement by us or you of any right or remedy will preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce, except as specifically limited by this Agreement.

20.6. Definitions and Captions. Unless otherwise defined in this body of this Agreement, capitalized terms have the meanings ascribed to them in the **Appendix** or as defined in this Agreement. All captions in this Agreement are intended for the convenience of the parties, and none may be deemed to affect the meaning or construction of any provision of this Agreement. Wherever the word “including” is used, it means “including but not limited to.”

20.7. Persons Bound. This Agreement will be binding on the parties and their respective successors and assigns.

20.8. Rules of Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement may be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. Terms used in this Agreement that are not defined must be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two (2) or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision must be given the meaning that renders it enforceable.

20.9. Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties will be deemed so delivered: at the time delivered, if by hand; one (1) business day after transmission, if by overnight delivery service; one (1) business day after transmission, if by facsimile or other electronic system expressly approved in the Operations Manual as appropriate for delivery of notices under this Agreement (with confirmation copy sent by regular U.S. mail); or three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid. Information for notices is as follows, and you will immediately notify us of any changes to the following contact information:

If to us:	If to you:
Senior Care Authority, LLC Attn: Frank Samson 885 Tahoe Blvd. Incline Village, NV 89451	The address listed in **Addendum 1**

20.10. Execution/Counterparts. Two (2) copies of this Agreement may be signed, each of which, when signed, is an original, and which, together, constitute one and the same instrument. This Agreement may be executed in two (2) or more counterparts, each of which constitutes an original, and all of which, when taken together, constitutes one Agreement.

20.11. Survival. All provisions, including the understandings, representations and warranties, which, as a matter of logic or otherwise, need to continue in force and effect subsequent to and notwithstanding the expiration or termination of this Agreement in order to achieve an intended result, will continue in full force and effect despite the absence of such specific language with respect to each of them.

20.12. Third Party Beneficiaries. This Agreement is not for the benefit of any third parties and is only for the benefit of you, us, and to the extent applicable, our Affiliate(s).

20.13. Release for Prior Agreements. If you or any of your Affiliates, Owners, managers, directors, officers, agents, servants, and employees, have before the date of this Agreement signed any other agreement with us or any of our Affiliates, you hereby release, acquit and forever discharge us and our respective parents, subsidiaries, Affiliates, and successors in interest, and each of their respective directors, officers, agents, servants, employees, whether specifically mentioned herein or not, of and from any and all liability, actions, causes of action, claims, debts, demands, damages and liabilities to person(s) or property, costs, expenses and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, whether statutory, contract, or in tort on account of or in any way connected with or related to our, or our Affiliate's, offer, sale, grant of, construction, subleasing, operation of, assistance with operation of, or development of franchises or franchise rights in any and all franchise locations awarded at any time to the undersigned and

from the inception of any contact with us to the Effective Date. It your express intention that this release be as broad as permitted by law, but this Release does not apply to claims that arise under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220.

20.13 Entire Agreement. This Agreement, the Addenda attached to it, and any other agreements executed by you and us concurrently with our execution of this Agreement represent the entire fully integrated agreement between you and us, and supersede all other negotiations, agreements, representations, and covenants, oral or written. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require you to waive reliance on any representation that we made in the Franchise Disclosure Document (including its exhibits and amendments) that we delivered to you in connection with this franchise offering. Except for those changes permitted to be made unilaterally by us, no amendment, change or variance from this Agreement will be binding on either party unless mutually agreed to in writing by you and us, and executed by your and our authorized officers or agents.

SENIOR CARE AUTHORITY, LLC	**FRANCHISEE NAME (Company Name):**
	_____ (Print Franchisee Name)
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

APPENDIX

GLOSSARY OF TERMS

AAA: The American Arbitration Association.

Affiliate: A person or Business Entity which is united, attached, connected, or allied with, or is controlling or under common control with a party.

Agreement: This Franchise Agreement and any of its amendments.

Anti-Terrorism Laws: Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the 15.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the 15.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the 15.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies lists and any other requirements of any Governmental Authority (including without limitation, the United States Department of Treasury Territory of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

Approved Suppliers: The various companies with which we and / or our Affiliates have authorized to sell products or services to you (including Authorized Products or Services), or are contracted to do business with us and / or our Affiliates, and which may provide products to you through us and / or our Affiliates, including all Facilities. We or our Affiliate(s) may also be an Approved Supplier.

Authorized Products: The specific products and items that are specified by us from time to time in the Operations Manual, or as otherwise directed by us in writing, for sale at your Placement Agency, prepared, sold and/or manufactured in strict accordance with our standards and specifications.

Authorized Services: The specific services that are specified by us from time to time in the Operations Manual, or as otherwise directed by us in writing, for sale at your Placement Agency, rendered or provided in strict accordance with our standards and specifications.

Business Entity: A corporation, a general or limited partnership or a limited liability company.

Business Office: Defined in Section 3.1.

Commencement Deadline: Defined in Section 3.4.

Commercial Rules: Defined in Section 19.3.

Competitive Business: Any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) services that are the same as or similar to those provided by Placement Agencies or in which Intellectual Property or other Confidential Information could be used to the disadvantage of us, any of our Affiliates, or any Placement Agency, other than a Placement Agency operated under a franchise agreement with us.

Computer System: Defined in Section 11.1.

Confidential Information: Our confidential and/or proprietary information including without limitation: sales and marketing methods and data; information regarding the System; operating and other business data; computer programs; trade secrets; the Intellectual Property; business plans; advertising and promotional methods; financial information and data; product information; information regarding current or prospective clients, the identity of

Facilities with which any Placement Agency has a relationship; any contract between a Placement Agency and a Facility; agencies, Approved Suppliers, and other related information; Operational Data; and the Operations Manual. Confidential Information will not include information which was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed: (a) at or prior to the time you received it; or (b) at or prior to the Effective Date, whichever occurred first.

Credit Card Vendors: Defined in Section 9.11.

CRM Software: The customer relationship management software that we require you to use in the operation of your Placement Agency.

Customer: Any potential, prospective, actual, current, or former customer or client of your Placement Agency or of any other Placement Agency.

Designated Manager: Defined in Section 9.1.

Development Schedule: The schedule by which you agree to develop your Territory. You develop your Territory by beginning marketing and operating your Placement Agency within each Marketing Area that comprises your Territory on or before the applicable Marketing Deadline.

Dispute: Any and all disagreements, controversies, or claims of any sort between you and us or our Affiliates arising out of, or in any way relating to, this Agreement, any of the parties' respective rights and obligations arising out of this Agreement, or the making, performance, breach, interpretation, or termination of this Agreement, including any claims based in tort.

Effective Date: The date we sign the Agreement, as indicated in our signature block.

EFT: Defined in Section 6.4.

Facility: Any residential care establishment that provides housing, personal care, and support services to seniors and individuals with disabilities. This includes, but is not limited to, assisted living communities, memory care facilities, skilled nursing facilities, independent living communities, adult day care centers, and any other long-term care options that offer services such as medical care, personal assistance, social activities, and specialized care for individuals with dementia or other cognitive impairments.

Force Majeure: This includes war, riot, strikes, materials shortages, fires, floods, earthquakes, and other acts of God, or governmental action or force of law, but excluding a shortage of funds, which results in your or our inability to build, equip, or operate your Placement Agency or otherwise perform an obligation under this Agreement, and which the party responsible for performance could not by the exercise of due diligence have avoided.

Gross Sales: All consideration, whether by cash, credit, in kind, checks, gift certificates, scrip, coupons, services, property or other means of exchange, or otherwise, derived directly or indirectly from the operation of your Placement Agency, including the credit value given for all merchandise trades, the full retail value of any gift certificate or coupon sold for use at your Placement Agency (fees retained by or paid to third party sellers of such gift certificates or coupons are <u>not</u> excluded from Gross Sales), and insurance proceeds and/or condemnation awards for loss of sales, profits or business; provided, however, that "Gross Sales" does not include:

(i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from clients, provided that the amount of any such tax is shown separately and, in fact, paid by you to the appropriate governmental authority;

(ii) client refunds made by your Placement Agency that do not exceed five percent (5%) of your Gross Sales; or

(iii) the value of any allowance that you issue or grant to your clients that is credited by you in full or partial satisfaction of the price of any products or services that you offer.

Gross Sales consisting of property, products or services will be valued at the retail prices applicable and in effect at the time that they are received. Any amounts deposited in your Placement Agency's bank accounts are deemed Gross Sales unless proven otherwise.

Improvement(s): Defined in Section 9.12.

Indemnified Parties: Defined in Section 14.1.

Initial Fee: Defined in Section 6.1.

Intellectual Property: Inventions, discoveries, know-how, show-how, processes, methods, unique materials, copyrightable works, original data and other creative or artistic works that have value. Intellectual Property includes that which is protectable by statute or legislation, such as proprietary products, methods, procedures, patents, copyrights, trademarks, service marks and trade secrets, as well as the physical embodiments of intellectual effort, for example, models, machines, devices, designs, apparatus, instrumentation, circuits, computer programs and visualizations, biological materials, chemicals, other compositions of matters, and records of research.

Legal Requirements: Any law, code, ordinance, order, rule or regulation (including Anti-Terrorism Laws), of any governmental entity, and any political or other subdivision of any governmental entity, and any agency, department, commission, board, bureau, court or instrumentality of any of them, which, at any time, has competent jurisdiction over you, us, or any part of your Placement Agency, including but not limited to Privacy Laws.

Liquidated Damages: Defined in Section 18.7.

Market Event: Defined in Section 8.2.

Marketing Area: A defined geographic area in which you have the obligation to market and operate your Placement Agency.

Marketing Deadline: The date by which you must begin marketing and operating within each Marketing Area comprising your Territory.

Marketing Start Date: The date on which you begin marketing and operating within each Marketing Area comprising your Territory. For the first Marketing Area, the Marketing Start Date will be the Effective Date.

Marks: Certain trade names, service marks, trademarks, logos, emblems, and other indicia of origin, including but not limited to the mark "Senior Care Authority®" and such other trade names, service marks, trademarks, copyrights, insignia, emblems, slogans, logos, commercial symbols, signs, trade dress (including designs and specifications and the motif, decor, and color combinations for a Placement Agency), and all other visual identification, as are now designated, and may hereafter be designated by us, for use in connection with the System.

Mediation Procedures: Defined in Section 19.2.

Minimum Monthly Royalty: Defined in Section 6.2.

National Account: Any (i) potential or existing commercial Customer, not an individual, that has multiple sites, offices, or premises located within and outside of the Territory; (ii) any other Customer, not an individual, that has a presence which is not confined to the Territory; or (iii) network of Facilities.

Operational Data: All information, including names, addresses, telephone numbers, e-mail addresses, and other business records with respect to the: (a) clients of your Placement Agency (including all contact names of your clients and the names of their family members and caregivers and client transaction records); (b) your referral sources; (c) Facilities with which any Placement Agency has a relationship; and (d) the suppliers of your Placement Agency, including any and all Approved Suppliers.

Operations Manual: The primary source of information regarding the System and the construction and operation of Placement Agencies, which includes our operations and training manuals, and any other written directives related to the System, as they may be amended and revised by us from time to time, including all bulletins, supplements and ancillary and additional manuals and written directives established by us and given to you in any format.

Owner: Any person who owns any stock, units, membership, partnership or other ownership interest in you, directly or indirectly.

Payment Date: The day on which you must pay us the Royalty Fee for the previous month, which day we may designate from time to time. As of the Effective Date, the Payment Date is the first calendar day of the month, or, if the first calendar day of the month falls on a weekend or holiday, then the next business day after that day. You must comply with a new Payment Date within 14 days after receiving written notice that the Payment Date has changed.

Placement Agency: Defined in the Recitals.

Privacy Laws: All applicable federal, state, and local laws, regulations, and rules, as they currently exist or may be enacted or amended in the future, that govern the collection, use, storage, protection, disclosure, and management of personal information and data. This includes, but is not limited to, laws such as the California Consumer Privacy Act (CCPA), the General Data Protection Regulation (GDPR) to the extent applicable, and any other similar laws enacted by any state or federal authority in the United States.

Royalty Fee: A fee paid by you to us at the times designated by us in the Operations Manual, in accordance with Article 6.

Successor Franchise Agreement: Defined in Section 5.2.2.

Supplements: Defined in Section 9.10.

System: A uniform system for the establishment and operation of Placement Agencies, including uniform standards, specifications, and procedures for operations along with related computer software programs; procedures for quality control; the Marks, management programs, accounting methods, training and ongoing operational assistance; advertising and promotional techniques; personnel training; trade secrets; methods of marketing senior placement agency services, assisting families and seniors to find Facilities and help them receive the necessary care and supervision for their daily living activities, as well as related items and services, prepared, conducted, given, purchased, or displayed in accordance with our methods; and other related benefits relating to the operation and promotion of a Placement Agency, all of which we may change, improve, and further developed from time to time.

Term: Defined in Section 5.1.

Territory: A geographic area consisting of one or more Marketing Areas, which you agree to operate within

according to the Development Schedule. Your specific Territory is identified on **Addendum 1.**

Training Program: Defined in Section 10.1.

Transfer: Defined in Section 15.2.

Unassigned Area: Defined in Section 4.4.

We, us, or our: Defined in the Recitals to the Agreement.

You or your: Defined in the Recitals to the Agreement.

ADDENDUM 1

INFORMATION CONCERNING FRANCHISEE AND THE FRANCHISED BUSINESS

A. IDENTITY AND STRUCTURE OF FRANCHISEE

Franchisee's Name: _____

Entity type and jurisdiction of formation: _____

Date of entity formation: _____

Provide name and address of each Owner who owns a percentage of the legal entity, and show what percentage of stock, partnership interest, or membership interest is owned by each.

_____

_____

_____

Address for Notices: _____

_____

Email Address: _____

Designated Manager's Name (Section 9.1): _____

B. INITIAL FRANCHISE FEE (Section 6.1). You are paying us an Initial Franchise Fee based on the Territory size and number of Marketing Areas you purchase.

Your Initial Franchise Fee is $_____.

C. YOUR BUSINESS OFFICE (Section 3.1) The Business Office for your Placement Agency, as provided in Section 3.1 of the Agreement, is:

_____

_____

_____

[This Area is Intentionally Left Blank]

D. **YOUR TERRITORY AND DEVELOPMENT SCHEDULE (Section 4.2)** We and you have mutually agreed upon a Territory as indicated below. You acknowledge that the Territory is in conformance with the territory guidelines stated in Item 12 of the Franchise Disclosure Document. If you are purchasing a Territory consisting of multiple Marketing Areas, you agree to begin marketing into each Marketing Area as soon as possible **but no later than the applicable Marketing Deadline indicated below**.

TERRITORY		
Marketing Area No.	**Marketing Area Description**	**Marketing Deadline**
		Commencement Deadline (within 90 days of the Effective Date)

By signing below, you acknowledge that the information above is true and correct. Use additional sheets if necessary. Any and all changes to the above information must be reported to us in writing.

SENIOR CARE AUTHORITY, LLC

By: _____

Print Name: _____

Its: _____

Date: _____

FRANCHISEE NAME (Company Name):

_____
(Print Franchisee Name)

By: _____

Print Name: _____

Its: _____

Date: _____

ADDENDUM 2
FRANCHISE OWNER AGREEMENT

This Franchise Owner Agreement (this "**Agreement**") is entered into by: (i) each of the undersigned Owners of Franchisee (as defined in the Franchise Agreement); and (ii) the spouse of each such Owner, in favor of Senior Care Authority, LLC, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement. Each signatory to this Agreement is referred to as "you."

1. **Acknowledgments.**

a. Franchise Agreement. Franchisee entered, or is entering, into a franchise agreement with effective as of _____, 20__ ("**Franchise Agreement**"). Capitalized words not defined in this Agreement will have the same meanings given to them in the Franchise Agreement.

b. Owners' Role. Owners are the beneficial Owners of all of the equity interest in Franchisee. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's Owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Agreement.

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

2. **System Protection Covenants**. In light of your above acknowledgements, you covenant and agree to the following:

a. Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than operating the Senior Care Authority® Placement Agency operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you or your spouse are no longer an Owner of Franchisee, as applicable. You further agree that you will not use the Know-how for any purpose other than the development and operation of Franchisee's Senior Care Authority® Placement Agency under the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any Improvements developed by you, including the right to grant sublicenses. If any Legal Requirement precludes you from assigning ownership of any Improvement to us, then you covenant, promise and agree that you will perpetually license that Improvement to us free of charge, with full rights to use, commercialize, and sublicense the Improvement.

b. Unfair Competition During Relationship. You agree not to unfairly compete with us at any time while you are an Owner of Franchisee, or while your spouse is an Owner of Franchisee, as applicable, by engaging in any of the following (collectively, the "**Prohibited Activities**"): (i) owning, operating or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder,

creditor, representative, agent or in any similar capacity) in a Competitive Business (other than owning an interest of two percent (2%) or less in a publicly traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our Affiliates or franchisees); and/or (iii) inducing (a) any of our employees or managers (or those of our Affiliates or franchisees) to leave their position or (b) any client of ours (or of one of our Affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

c. Unfair Competition After Relationship. You agree that, for a period of two (2) years after the termination or expiration of the Franchise Agreement or any successor to it (the "**Restricted Period**") not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to clients who are located within twenty-five (25) miles of: (a) Franchisee's Territory; or (b) any other Placement Agency that is then operating or in development (the "**Restricted Territory**"). If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach).

d. Immediate Family Members. You acknowledge that your disclosing Know-how to an immediate family member (i.e., parent, sibling, child, or grandchild) could potentially circumvent the purpose of this Agreement. You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

e. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE. Although you and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of the system protection covenants in Section 2 of this Agreement upon written notice to you, by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under Section 2 of this Agreement to ensure that the terms and covenants are enforceable under applicable law.

f. Breach. You agree that failure to comply with the covenants in this Section 3 will cause substantial and irreparable damage to us and/or other Senior Care Authority® franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you and we agree that the amount of the bond will not exceed $1,000. None of the remedies available to us under this

Section are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

3. Transfer Restrictions. If you are an Owner of Franchisee, you acknowledge that we must approve all persons who hold a direct or indirect Ownership interest in Franchisee. Accordingly, you agree that you will not, directly or indirectly or by operation of law, sell, assign, mortgage, pledge or in any manner transfer any direct or indirect Ownership interest in Franchisee except in accordance with the terms and conditions set forth in Article 15 of the Franchise Agreement. You acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Agreement and the Franchise Agreement.

4. Personal Guarantee. In order to secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an Affiliate of ours and any promissory note related to payments owed to us (collectively, the "**Secured Agreements**"), you agree to personally guarantee all of Franchisee's financial obligations under the Secured Agreements.

a. Payment. Each of you, jointly and severally, personally and unconditionally: (a) guarantee to us and our successor and assigns, that Franchisee will punctually fulfill all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements.

b. Waiver of Notice. You waive: (1) acceptance and notice of acceptance by us of the foregoing undertakings; (2) notice of demand for payment of any indebtedness guaranteed; (3) protest and notice of default to any party with respect to the indebtedness guaranteed; (4) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

c. Liability is Joint and Several. You agree that: (1) your direct and immediate liability under this guarantee will be joint and several with Franchisee and all other persons who sign this Agreement; (2) you will render any payment required under the Secured Agreements upon demand if Franchisee fails or refuses punctually to do so; (3) your liability will not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (4) liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guarantee, which will be continuing and irrevocable during the term of each of the Secured Agreements and following the termination, expiration or transfer of each of the Secured Agreements to the extent any financial obligations under any such Secured Agreements survive such termination, expiration or transfer.

d. Bankruptcy Filing. This guarantee will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

e. Indemnification. You agree to indemnify, defend and hold harmless us, all of our Affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our Affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

f. No Exhaustion of Remedies. You acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

g. Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations that exist under this Agreement or the Franchise Agreemeent at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Dispute Resolution. Any dispute between the parties relating to this Agreement must be brought in accordance with the dispute resolution procedures stated in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures stated in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement will prevail. You acknowledge and agree that a breach of this Agreement by you will constitute a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.

6. Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce your obligations under this Agreement. You acknowledge and agree that there is no adequate remedy at law for your failure to fully comply with the requirements of this Agreement. You further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper.

7. Miscellaneous.

a. Attorney Fees. If either party hires an attorney or files suit against the other party in relating to an alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

b. Defenses. Any claim, defense or cause of action that you may have against us, our Affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

c. Severability. Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it will not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

d. Notice. You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery will be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice must be delivered in the manner and to the address listed in the Franchise Agreement.

e. No Third-Party Beneficiaries. Nothing in this Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns and our Affiliates) any rights or remedies under or by reason of this Agreement.

f. Construction. No provision of this Agreement will be interpreted in favor of or against either party merely because of that party's role in the preparation of this Agreement, or because of the nature or type of this Agreement. All references to gender and number will be construed to include such other gender and number as the context may require. All captions in this Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Agreement.

g. Binding Effect. This Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

IN WITNESS WHEREOF, each of **Owner** or **spouse of an Owner** has executed this Agreement as of the date or dates set forth below.

(Add additional pages and signature lines, if necessary for each Owner or spouse of an Owner)

By: _____ Address: _____

_____

Name: _____ Telephone: _____

By: _____ Address: _____

_____

Name: _____ Telephone: _____

By: _____ Address: _____

_____

Name: _____ Telephone: _____

By: _____ Address: _____

_____

Name: _____ Telephone: _____

ADDENDUM 3
Electronic Funds Transfer Authorization

ELECTRONIC FUNDS TRANSFER AUTHORIZATION

BY AND BETWEEN SENIOR CARE AUTHORITY, LLC
AND _____ ("DEPOSITOR")
EFT AUTHORIZATION AGREEMENT (DIRECT DEBITS)

The undersigned depositor ("Depositor") hereby authorizes Senior Care Authority, LLC ("Company") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("Depository") to debit such account pursuant to Company's instructions:

_____ _____
Depository Branch

_____ _____
Address City, State, Zip Code

_____ _____
Bank Transit/ABA Number Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Depositor of the Depositor's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity on which to act. If an erroneous debit entry is initiated to Depositor's account, Depositor will have the right to have the amount of such entry credited to such account by Depository, if (a) within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or (b) forty-five (45) days after posting, whichever occurs first, Depositor will have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

DEPOSITOR:

By: _____

Print Name: _____

Its: _____

Date: _____

Senior Care Authority, LLC

EXHIBIT C

Financial Statements

Senior Care Authority, LLC

EXHIBIT C-1

Unaudited Financial Statements

These Financial Statements Have Been Prepared without an Audit. Prospective Franchisees or Sellers of Franchises Should be Advised that No Independent Certified Public Accountant Has Audited These Figures or Expressed an Opinion with Regard to their Content or Form.

Senior Care Authority LLC

Balance Sheet Summary

As of May 31, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	220,615.43
Accounts Receivable	53,987.44
Other Current Assets	157,757.40
Total Current Assets	**$432,360.27**
Other Assets	1,028,449.57
TOTAL ASSETS	**$1,460,809.84**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	**$587,536.25**
Long-Term Liabilities	2,903,889.50
Total Liabilities	**$3,491,425.75**
Equity	-2,030,615.91
TOTAL LIABILITIES AND EQUITY	**$1,460,809.84**

Senior Care Authority LLC

Profit and Loss Summary

January - May, 2025

	TOTAL
Income	**$1,446,170.55**
Cost of Goods Sold	**$90,597.50**
GROSS PROFIT	**$1,355,573.05**
Expenses	**$1,172,537.51**
NET OPERATING INCOME	**$183,035.54**
Other Income	**$3,534.63**
Other Expenses	**$11,145.85**
NET OTHER INCOME	**$ -7,611.22**
NET INCOME	**$175,424.32**

Senior Care Authority, LLC

EXHIBIT C-2

Audited Financial Statements

SENIOR CARE AUTHORITY, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

AS OF DECEMBER 31, 2024

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

SENIOR CARE AUTHORITY, LLC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Members
Senior Care Authority, LLC
Petaluma, CA 94954

Opinion

We have audited the accompanying financial statements of Senior Care Authority, LLC, which comprise the balance sheet as of December 31, 2024, and the related statements of operations, members' deficit, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Senior Care Authority, LLC as of December 31, 2024, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

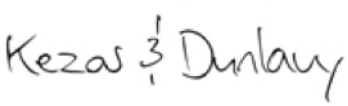
In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.



St. George, Utah
February 26, 2025

SENIOR CARE AUTHORITY, LLC

BALANCE SHEET

As of December 31, 2024

	2024
Assets	
Current assets	
Cash and cash equivalents	$ 202,794
Accounts receivable, net	79,033
Other receivables	35,593
Prepaid expenses	158,678
Current maturities of deferred contract costs	122,062
Total current assets	598,160
Non-current assets	
Intangible assets, net	90,000
Deferred contract costs, net of current	941,783
Total non-current assets	1,031,783
Total assets	$ 1,629,943
Liabilities and Members' Deficit	
Current liabilities	
Accounts payable	$ 102,220
Accrued expenses	55,431
Deferred conference revenue	176,535
Current maturities of deferred franchise fees	432,554
Long-term debt, current	2,433
Total current liabilities	769,173
Non-current liabilities	
Deferred franchise fees, net of current	2,399,585
Long-term debt, net of current	506,679
Total non-current liabilities	2,906,264
Total liabilities	3,675,437
Members' deficit	(2,045,494)
Total liabilities and members' deficit	$ 1,629,943

The accompanying notes are an integral part of the financial statements.

SENIOR CARE AUTHORITY, LLC

STATEMENT OF OPERATIONS

For the year ended December 31, 2024

	2024
Operating revenues	
Royalties	$ 1,023,375
Initial franchise fees	$ 814,942
Marketing and technology fees	$ 811,290
Other revenue	$ 18,789
Total operating revenues	2,668,396
Operating expenses	
Brand advertising	727,883
Salaries, wages and related	525,583
General and administrative	318,679
Professional fees	286,403
Commissions	233,386
Advertising and marketing	82,464
Amortization	8,000
Total operating expenses	2,182,398
Income from operations	485,998
Non-operating expense	
Interest expense	(21,633)
Total non-operating expense	(21,633)
Net income	$ 464,365

The accompanying notes are an integral part of the financial statements.

SENIOR CARE AUTHORITY, LLC

STATEMENT OF MEMBERS' DEFICIT

For the year ended December 31, 2024

	2024
Balance January 1, 2024	$ (2,289,045)
Member distributions	(220,814)
Net income	464,365
Balance December 31, 2024	$ (2,045,494)

The accompanying notes are an integral part of the financial statements.

SENIOR CARE AUTHORITY, LLC

STATEMENT OF CASH FLOWS

For the year ended December 31, 2024

	2024
Cash flow from operating activities:	
Net income	$ 464,365
Adjustments to reconcile net income to net cash provided by operating activities:	
Accrued interest	18,750
Amortization of intangible assets	8,000
Changes in operating assets and liabilities:	
Accounts receivable	(43,054)
Prepaid expenses	(150,383)
Deferred contract costs	(270,718)
Accounts payable	(11,426)
Accrued expenses	(7,308)
Deferred revenue	176,535
Deferred franchise fees	142,764
Net cash provided by operating activities	327,525
Cash flows from financing activities:	
Principal debt payments	(59,156)
Member distributions	(220,814)
Net cash used in financing activities	(279,970)
Net change in cash and cash equivalents	47,555
Cash at the beginning of the year	155,239
Cash at the end of the year	$ 202,794

The accompanying notes are an integral part of the financial statements.

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Senior Care Authority, LLC (the "Company") was formed on March 25, 2014, in the state of California as a limited liability company for the planned principal purpose of conducting franchise sales, marketing, and management. The Company offers franchises that provide senior placement and consulting services.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2024, the Company had cash and cash equivalents of $202,794.

(e) Accounts Receivables

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalties and other sales transactions. These accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts. When determining the allowance for doubtful receivable, the Company has adopted ASC 326, *Financial Instruments—Credit Losses*. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2024, the Company had no allowance for uncollectible accounts and their accounts receivable balance was $79,033.

(f) Long-Lived Assets

Long-lived assets will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Any impairment loss will be measured by the difference between the fair value of an asset and its carrying amount, and will be recognized in the period that the recognition criteria are first applied and met.

(g) Revenue Recognition

The Company has adopted ASC 606, *Revenue from Contracts with Customers*. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's revenues consist of initial franchise fees, royalties and marketing fees based on a percentage of gross revenues, and product sales.

Royalties and marketing fees

Upon evaluation of the five-step process, the Company has determined that royalties and marketing fees are to be recognized in the same period as the underlying sales.

Initial franchise fees

Initial franchise fees are recognized as the Company satisfies the performance obligation over the franchise term, which is generally 10 years.

(h) Income Taxes

The Company is structured as a limited liability company under the laws of the state of California. Accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the members rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2024, the 2023, 2022 and 2021 tax years were subject to examination.

(i) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, the carrying amounts approximate fair value due to their short maturities.

(j) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(k) Advertising Costs

The Company's policy is to expense advertising costs when incurred. Advertising expenses for the year ended December 31, 2024 were $82,464.

(2) Intangible Assets

As of December 31, 2024, the Company's intangible assets consisted of the following:

	2024
Intellectual property rights	$ 120,000
Accumulated amortization	(30,000)
	$ 90,000

Amortization expense for the year ended December 31, 2024, was $8,000. As of December 31, 2024, future amortization is expected to be as follows:

2025	$ 8,000
2026	8,000
2027	8,000
2028	8,000
2029	8,000
Thereafter	50,000
	$ 90,000

(3) Franchise Agreements

The Company's franchise agreements generally provide for payment of initial fees as well as continuing royalty, marketing and tech fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Senior Care Authority system for a period of ten years. Under the Company's revenue recognition policy, the Company deferrers the revenue and it is amortized over the life of the contract. In addition, the Company defers related contract costs such as broker commissions over the same period and records them as deferred contract costs.

The Company has estimated the following current and non-current portions of deferred contract costs as of December 31, 2024:

	2024
Deferred commissions, current	$ 122,062
Deferred commissions, non-current	941,783
	$ 1,063,845

The Company has estimated the following current and non-current portions of deferred revenue as of December 31, 2024:

	2024
Deferred revenue, current	$ 432,554
Deferred revenue, non-current	2,399,585
	$ 2,832,139

(4) Prepaids

The Company has prepaid expenses on its balance sheet, which represent payments made in advance for goods or services to be received in the future. These prepaid expenses will be recognized as expenses in the periods in which the related goods or services are consumed or utilized. The Company's prepaid expenses are primarily associated with the annual 2024 conference, which was postponed to January 2025. As of December 31, 2024, the total amount of prepaid expenses is $158,678 and is classified as a current asset on the balance sheet.

(5) Accrued Expenses

The Company's accrued expenses consist of accrued payroll and credit cards payable. The balance as of December 31, 2024, is $55,431 and is classified as a current liability on the Company's balance sheet.

(6) Long Term Debt

In July 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institute with a principal balance of $150,000. The loan was amended in June 2021 for an additional $350,00, for a total principal balance to $500,000. The note accrues interest at 3.75% per annum, requires monthly payments of $2,524 beginning in February 2023, and has a maturity date of July 2050. As of December 31, 2024, the loan balance was $509,112.

Expected future principal payments consist of the following:

For the year ended December 31,	
2025	2,433
2026	11,831
2027	12,283
2028	12,751
2029	12,238
Thereafter	456,576
	$ 509,112

(7) Commitment and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(8) Related Party Transactions

The Company has entered into an agreement with one of its members, in which it pays monthly rent of $3,750 cash for shared office space. During the year ended December 31, 2024, the Company paid $45,000 to the member, and there was no liability due as of December 31, 2024. The agreement expired in August of 2024. The Company plans to renew the lease agreement in 2025.

(9) Subsequent events

Management has reviewed and evaluated subsequent events through February 26, 2025, the date on which the financial statements were available to be issued.

SENIOR CARE AUTHORITY, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

V|H VELEZ◆HARDY
CPAs and Advisors

SENIOR CARE AUTHORITY, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

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Independent Auditor's Report

To the Members
Senior Care Authority, LLC

Opinion
We have audited the accompanying financial statements of Senior Care Authority, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income (loss) and members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Senior Care Authority, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Velez & Hardy

March 27, 2024
Las Vegas, Nevada

SENIOR CARE AUTHORITY, LLC
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current Assets:		
Cash	$ 155,239	$ 63,811
Accounts receivable, net	35,979	193,886
Other receivables	35,593	135,247
Prepaid expenses	8,295	12,897
Current maturities of deferred contract costs	86,001	24,315
Total current assets	321,107	430,156
Intangible Assets, Net	98,000	106,000
Deferred Contract Costs, Net of Current	707,126	207,118
Total Assets	$ 1,126,233	$ 743,274
LIABILITIES AND MEMBERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 113,646	$ 207,522
Accrued expenses	62,739	103,276
Current maturities of deferred franchise fees	387,991	295,441
Current maturities of long-term debt	28,868	216,533
Total current liabilities	593,244	822,772
Long-Term Liabilities:		
Deferred franchise fees, net of current	2,301,384	1,720,153
Long-term debt, net of current	520,650	532,188
Total long-term liabilities	2,822,034	2,252,341
Total Liabilities	3,415,278	3,075,113
Members' Deficit	(2,289,045)	(2,331,839)
Total Liabilities and Members' Deficit	$ 1,126,233	$ 743,274

See accompanying notes to the financial statements.

SENIOR CARE AUTHORITY, LLC
STATEMENTS OF INCOME (LOSS) AND MEMBERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenue	$ 2,171,891	$ 1,733,795
Operating Expenses:		
Advertising	76,481	80,691
Amortization	8,000	8,000
Auto	11,873	13,896
Brand advertising	624,241	569,328
Commissions	55,131	11,692
Insurance	21,727	17,676
Office expense and other	131,984	186,375
Professional fees	241,845	276,023
Salaries, wages and related	735,807	710,327
Taxes and licenses	6,800	15,408
Technology	26,411	23,759
Travel and meals	20,133	23,758
Total operating expenses	1,960,433	1,936,933
Income (Loss) from Operations	211,458	(203,138)
Other Income (Expense):		
PPP loan forgiveness	-	82,141
Other income	-	135,247
Interest expense	(42,145)	(23,912)
Total other income (expense)	(42,145)	193,476
Net Income (Loss)	169,313	(9,662)
Members' Deficit, Beginning of Year	(2,331,839)	(2,545,524)
Member contributions	-	281,310
Member distributions	(126,519)	(57,963)
Members' Deficit, End of Year	$ (2,289,045)	$ (2,331,839)

See accompanying notes to the financial statements.

SENIOR CARE AUTHORITY, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash Flows From Operating Activities:		
Net income (loss)	$ 169,313	$ (9,662)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Accrued interest	18,750	18,750
Amortization of intangible assets	8,000	8,000
PPP loan forgiveness	-	(82,141)
Changes in:		
(Increase) decrease in accounts receivable	157,907	(178,925)
(Increase) decrease in other receivables	99,654	(135,247)
(Increase) decrease in prepaid expenses	4,602	3,628
(Increase) decrease in deferred contract costs	(561,694)	(231,433)
Increase (decrease) in accounts payable	(93,876)	50,370
Increase (decrease) in accrued expenses	(40,537)	(139,711)
Increase (decrease) in deferred revenue	-	(23,200)
Increase (decrease) in deferred franchise fees	673,781	313,253
Net cash provided by (used in) operating activities	435,900	(406,318)
Cash Flows From Financing Activities:		
Proceeds from debt borrowings	75,000	232,500
Principal debt payments	(292,953)	(90,967)
Member capital contributions	-	281,310
Member distributions	(126,519)	(57,963)
Net cash provided by (used in) financing activities	(344,472)	364,880
Net Change in Cash	91,428	(41,438)
Cash, Beginning of Year	63,811	105,249
Cash, End of Year	$ 155,239	$ 63,811
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 23,395	$ 5,162

See accompanying notes to the financial statements.

NOTE 1 – NATURE OF THE BUSINESS

The Company was organized in April 2014 as a limited liability company under the laws of the state of California. The principal activity of the Company is the sale of franchises that operate a senior placement and consulting agency assisting families and seniors to find ideal locations for the seniors to live under the name "Senior Care Authority".

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Senior Care Authority, LLC (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, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Use of Estimates in Preparation of Financial Statements

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

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit account which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

The Company's receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements. Accounts receivable is stated at the amount the Company expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As of December 31, accounts receivable consisted of the following balances:

	2023	2022	2021
Accounts receivable	$ 35,979	$ 193,886	$ 14,961
Allowance for doubtful accounts	-	-	-
Accounts receivable, net	$ 35,979	$ 193,886	$ 14,961

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchisee. Franchise agreements typically require the franchisee to pay an initial fee and continuing fees based upon a percentage of sales or a percentage fee for each franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

The services provided in exchange for these initial franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial franchise fees are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial franchise fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial franchise fees. As of December 31, deferred franchise fees consisted of the following:

	2023	2022	2021
Deferred franchise fees	$ 2,689,375	$ 2,015,594	$ 1,702,341
Less: current maturities	(387,991)	(295,441)	(253,437)
	$ 2,301,384	$ 1,720,153	$ 1,448,904

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2024	$ 387,991
2025	387,991
2026	372,527
2027	330,557
2028	286,657
Thereafter	923,652
	$ 2,689,375

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Continuing fees are recognized monthly as they are earned.

Brand advertising provided to franchisees is highly interrelated with the franchise right and therefore not distinct. As a result, revenues for the brand advertising are recognized on a monthly basis, as they are billed, and reflected on the statements of loss and members' deficit under the caption "revenue". Expenses incurred to provide brand advertising services are presented on the statements of loss and members' deficit under the caption "brand advertising".

The Company incurs incremental costs in the course of obtaining franchise agreements. The Company's incremental costs of obtaining franchise agreements are capitalized and presented on the accompanying balance sheets. These incremental costs are recognized on the straight-line basis which is consistent with the franchisee's right to us and benefit from intellectual property.

The Company's contract assets are comprised of unamortized incremental contract costs. As of December 31, deferred contract costs consisted of the following:

	2023	2022	2021
Deferred contract costs	$ 793,127	$ 231,433	$ -
Less: current maturities	(86,001)	(24,315)	-
	$ 707,126	$ 207,118	$ -

For the years ended December 31, revenue sources were as follows:

	2023	2022
Initial franchise fees	515,719	349,247
Marketing and technology	651,335	506,405
Royalties	787,051	635,398
Other	217,786	242,745
	2,171,891	1,733,795

As of December 31, the timing and recognition of revenue was as follows:

	2023	2022
Services transferred at a point in time	$ 1,656,172	$ 1,384,548
Services transferred over time	515,719	349,247
	$ 2,171,891	$ 1,733,795

Various economic factors such as supply and demand, laws and policies and labor affect revenues and cash flows. The Company's revenue is derived from sources within the United States.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

Advertising costs are expensed when incurred or the first time such advertisement appears. For the years ended December 31, 2023 and 2022, total advertising costs were $76,481 and $80,691, respectively.

Income Taxes (Continued)

As a limited liability company, the Company's taxable income or loss is allocated to the members. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2023, the tax years that remain subject to potential examination by taxing authorities begin with the year ended December 31, 2020.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Members' deficit was unchanged due to these reclassifications.

Recent Accounting Pronouncements

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial instruments. Under the new standard, the existing incurred loss model was replaced with a current expected credit loss (CECL) model for most receivables and various other financial instruments. Receivable assets under the standard are presented at the net amount expected to be collected through an allowance for credit losses. Expanded disclosures are also required. This ASU is effective for the Company for the year ended December 31, 2023. The adoption of this guidance did not have a material impact on the Company's financial statements.

NOTE 3 – INTANGIBLE ASSETS

Amortizable intangible assets consisted of the following as of:

	December 31, 2023		
Intangible asset (Amortization period)	**Cost**	**Accumulated Amortization**	**Net**
Intellectual property rights (15 years)	$ 120,000	$ (22,000)	$ 98,000

	December 31, 2022		
Intangible asset (Amortization period)	**Cost**	**Accumulated Amortization**	**Net**
Intellectual property rights (15 years)	$ 120,000	$ (14,000)	$ 106,000

Amortization expense related to intangible assets was approximately $8,000 for the years ended December 31, 2023 and 2022.

The estimated amortization expense related to amortizable assets for each of the five succeeding years and thereafter is as follows as of December 31, 2023:

Years ending December 31,	
2024	$ 8,000
2025	8,000
2026	8,000
2027	8,000
2028	8,000
Thereafter	58,000
Total	$ 98,000

NOTE 4 – RELATED PARTY TRANSACTIONS

The Company pays rent of $3,750 per month to a member of the Company for shared office rent. It paid the member $45,000 and $33,750 during 2023 and 2022, respectively. There are no amounts due to the member as of December 31, 2023 and 2022.

NOTE 5 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	2023	2022
On July 1, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of $150,000, pursuant to Section 7(b) of the Small Business Act, as amended. The loan was subsequently amended in June 2021 for an aggregate amount of $500,000. It matures in July 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in February 2023. The loan may be prepaid by the borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	$ 520,650	$ 532,188
The Company has lines of credit, which originated from February 2023 to May 2023. The lines of credit have maturity dates that range from February 2024 to November 2024 and interest rates ranging from 8.07% to 25.94%.	28,868	109,033
Note payable of $92,500 to an individual, maturing in December 2023, bearing no interest, and is unsecured. The note was fully paid in 2023.	-	92,500
Note payable of $150,000 to an individual, with monthly payments of $5,000, maturing in April 2023, bearing no interest and is unsecured.	-	15,000
Total long-term debt	549,518	748,721
Less: current maturities	(28,868)	(216,533)
	$ 520,650	$ 532,188

As of December 31, long-term debt matures as follows:

2024	$ 28,868
2025	4,838
2026	11,923
2027	12,378
2028	12,850
Thereafter	478,661
	$ 549,518

NOTE 6 – MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 27, 2024, the date on which the financial statements were available to be issued. No other events were identified that required adjustment or disclosure in the financial statements.

Senior Care Authority, LLC

EXHIBIT D

Operations Manual Table of Contents

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Total Number of Pages in Operations Manual: 180

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Senior Care Authority, LLC

EXHIBIT E

Form of General Release

GENERAL RELEASE

As a condition to Senior Care Authority, LLC's ("Franchisor") consent to **[grant a Successor Franchise Agreement to] [the proposed transfer of the Franchise Agreement]** by **[name of franchisee]** ("Franchisee") under the Franchise Agreement dated _____**[date of Franchise Agreement]**, the undersigned, and each of their respective corporate parents, subsidiaries, Affiliates, successors in interest, heirs and assigns, and each of their respective owners, Managers, directors, officers, agents, servants, and employees, as applicable, whether specifically mentioned herein or not, do hereby release, acquit and forever discharge Franchisor and its respective parents, subsidiaries, Affiliates, and successors in interest, and each of their respective directors, officers, agents, servants, employees, whether specifically mentioned herein or not, of and from any and all liability, actions, causes of action, Claims, debts, demands, damages and liabilities to person(s) or property, costs, expenses and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, whether statutory, contract, or in tort on account of or in any way connected with or related to Franchisor's, or Franchisor's Affiliate's, offer, sale, grant of, construction, subleasing, operation of, assistance with operation of, or development of franchises or franchise rights in any and all franchise locations awarded at any time to the undersigned and from the inception of any contact with Franchisor to the date of this Release. It is the express intention of the undersigned that this Release be as broad as permitted by law.

The general release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Undersigned represents and warrants that execution hereof is free and voluntary; that no inducements, threats, representations, or influences of any kind were made or exerted by or on behalf of Franchisor; and that, prior to the execution hereof, undersigned was given the opportunity, if desired, to consult with counsel. This Release shall be binding upon the undersigned, their heirs, successors and legal representatives. Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require. This Release may not be changed orally.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, EACH OF ITS PRINCIPALS AND OWNERS / MANAGERS / SHAREHOLDERS AND A DULY AUTHORIZED OFFICER MUST EXECUTE THIS RELEASE (Attach Additional Sheets if Necessary).

By: _____

Name: _____

By: _____

Name: _____

Senior Care Authority, LLC

EXHIBIT F

State-Specific Addendum to Franchise Disclosure Document and Agreements

EXHIBIT F

STATE-SPECIFIC ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

The following modifications are to the Franchise Disclosure Document between Senior Care Authority, LLC ("Franchisor," "we," "us," or "our") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between Franchisor and you ("you," "you," or "your" dated _____, 20___.

The state-specific amendments of this State Law Addendum to Franchise Disclosure Document and Franchise Agreement ("**State Addendum**") apply only to those persons residing or operating Placement Agencies in the following states:

FOR THE STATE OF CALIFORNIA:

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

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

The Franchise Disclosure Document is hereby amended as follows:

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

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

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

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

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

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

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.

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

Item 11 of the FDD is amended to state: You must open your Placement Agency within 90 days of signing the Franchise Agreement. If you do not open your Placement Agency within that time period, we have the right to terminate the Franchise Agreement. If we terminate the Franchise Agreement for this reason, we will refund to you 50% of the Initial Fee you paid us. (Franchise Agreement, Article 3).

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

Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

The Franchise Agreement are hereby amended as follows:

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of California:

1. Any condition, stipulation, or provision in the Franchise Agreement which would result in your waiver of compliance with any provision of the California Franchise Relations Act is void to the extent that such provision violates such act.

2. California Business and Professions Code 20000 through 20043 provide rights to a 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.

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

For the purposes of Cal. Bus. & Prof. Code Section 20022, the parties agree as follows:

The parties agree that they will use the declining-balance depreciation method to calculate the value of Franchisee's inventory, supplies, equipment, fixtures, and furnishings (the "Assets") for the

purposes of a purchase by us under Section 20022. The purchase price by us for the Assets will not include the cost of removal and transportation of those assets, which will be your responsibility.

The parties agree that for the purposes of Section 20022, you are not able to provide to us "clear title and possession" to your Assets if those Assets are subject to liens or encumbrances including: a) purchase money security interest; b) blanket security interest; c) right of first refusal; d) lien by franchisee's landlord; or e) tax lien.

The parties agree that for the purposes of Section 20022(h), our right of offset will include the following amounts owed by you to us or our Affiliates: a) Royalty Fees; b) Marketing and Technology Support Fees; c) Liquidated Damages; d) Transfer Fees; and e) any other type of fee owed by you to us or our Affiliates.

For the purposes of Cal. Bus. & Prof. Code Section 20035, the parties agree as follows:

"Fair market value of the franchise assets" means the value of your Assets, valued according to the declining-balance method of depreciation. The purchase price by us for the Assets will not include the cost of removal and transportation of those assets, which will be your responsibility.

"Fair market value of the franchised business" means the "fair market value of the franchise assets" as defined above, plus goodwill. The parties agree that the value of goodwill is the amount of Royalty Fees paid by you to us within the 12-month period immediately before our termination or failure to renew you in violation of the California Franchise Relations Act.

The Franchise and Franchise Disclosure Document are hereby amended as follows:

Due to our financial condition, the California Department of Financial Protection and Innovation has required us to defer all initial fees until your business is open and operating. All of your initial fees, including your initial franchise fee (if any) will be deferred our initial obligations to you are complete and your business is open and operating.

The Compliance Questionnaire is hereby amended as follows:

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

FOR THE STATE OF CONNECTICUT:

The following statement is added to the cover page of the Franchise Disclosure Document:

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

The following statement is added to Item 3 of the Franchise Disclosure Document:

There are no pending or completed actions against us relating to Securities Laws; Business Opportunity Laws; Actions Brought by Present or Former Purchaser-Investors Involving Franchise; or Business Opportunity Relationships that are required to be disclosed in this Disclosure Document.

The FDD and Franchise Agreement are hereby modified to state that, if we require you to purchase products, equipment or supplies from us but fail to provide those products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the required opening date stated in your contract, you may notify us in writing and demand that the contract be canceled.

FOR THE STATE OF HAWAII:

The following is added to the Cover Page:

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

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

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

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

FOR THE STATE OF ILLINOIS:

Illinois law governs the franchise agreements.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

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

See the last page of this Exhibit F for your required signature.

FOR THE STATE OF INDIANA:

Item 8 of the Franchise Disclosure Document is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the Franchise Disclosure Document is amended to add the following:

> 17(e) is amended subject to Indiana Code 23-2-2.7-1(7), which makes it unlawful for us to unilaterally terminate your franchise agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> 17(m) is amended subject to Indiana Code 23-2-2.7-1(5), which prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.
>
> 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant will have a geographical limitation of the Territory granted to you.
>
> 17(v) is amended to provide that you will be permitted to begin litigation in Indiana for a cause of action under Indiana law.
>
> 17 (w) is amended to provide that if there is a conflict of law, Indiana Law governs any cause of action which arises under the Indiana Disclosure Law or Indiana Deceptive Franchise Practices Act.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the Franchise Disclosure Document, the Franchise Agreement, or Nevada law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Agreement to the extent the Agreement may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement which would require you to prospectively assent to a release, or, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The Franchise Agreement will be modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

No Limitation on Litigation. Any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

See the last page of this Exhibit F for your signature.

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

FOR THE STATE OF IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if

you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Frank Samson at Senior Care Authority, LLC, 885 Tahoe Blvd., or email: frank@seniorcareauthority.com, not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: _____

By: _____

Print Name: _____

Its: _____

Date: _____

FOR THE STATE OF MARYLAND

Pursuant to COMAR 02.02.0.8.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability arising under the Maryland Franchise Registration and Disclosure Law. 17(c) and 17(m) of the Franchise Disclosure Document and sections of the Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment, shall not apply to liability under the Maryland Franchise Registration and Disclosure Law and those documents are hereby amended consistent with Maryland law.

The Compliance Statement (Exhibit H to the Franchise Disclosure Document) is hereby amended by stating that all representations requiring prospective franchisees to assent to a release, estoppel, or waiver of any liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

17(v) of the Franchise Disclosure Document and Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration & Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

Section 17(w) of the Franchise Disclosure Document is hereby amended to the extent required under the Maryland Franchise Registration and Disclosure Laws.

The Franchise Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A Sec. 101 *et seq.*).

The Franchise Agreement and Franchise Disclosure Document are hereby amended as follows:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the outlet is opened.

Item 15 of the Franchise Disclosure Document is amended by adding the following:

If you are married, we require your spouse to sign the Owner Agreement, even if your spouse does not have an ownership interest in the franchise. By signing the Owner Agreement, your spouse agrees to be personally liable for all financial obligations under the Franchise Agreement and to be bound by the confidentiality and non-competition provisions of the Franchise Agreement. This means that your spouse's personal and marital assets may be at risk if you default under the Franchise Agreement. A copy of the Owner Agreement is attached to the Franchise Agreement as Addendum.

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

Senior Care Authority, LLC	you: _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

FOR THE STATE OF MICHIGAN

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

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

A prohibition on the right of a franchisee to join an association of franchisees.

A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This will not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of our intent not to renew the franchise.

A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

A provision requiring that arbitration or litigation be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised

value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c)

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

FOR THE STATE OF MINNESOTA:

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement that would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any Agreement relating to franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Agreement relating to arbitration.

4. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under this Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Agreement and our System standards. Notwithstanding anything to the contrary in the Franchise Agreement, we will protect your rights under this Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the provisions of the Franchise Agreement that require you to sign a general release prior to renewing or transferring your franchise are hereby deleted from the Franchise Agreement.

7. The following language will be added to the Franchise Agreement:

No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

9. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three years after the cause of action accrues.

Items 5 and 7 of the Franchise Agreement and Franchise Disclosure Document are hereby amended as follows:

Due to our financial condition, the Minnesota Department of Commerce has required us to defer all initial fees until your business is open and operating. All of your initial fees, including your initial franchise fee (if any) will be deferred our initial obligations to you are complete and your business is open and operating.

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

FOR THE STATE OF NEW YORK:

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN

THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

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

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

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

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

FOR THE STATE OF NORTH DAKOTA:

Sections of the Franchise Disclosure Document or Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

The Franchise Agreement and Confidentiality / Non-Competition Agreement contain a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Section of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

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

FOR THE STATE OF OHIO:

The following language will be added to the Franchise Agreement:

> You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Frank Samson at Senior Care Authority, LLC, 885 Tahoe Blvd., or email: frank@seniorcareauthority.com, not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

By: _____

Print Name: _____

Its: _____

Date: _____

FOR THE STATE OF RHODE ISLAND:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The Franchise Disclosure Document and Franchise Agreement are amended accordingly to the extent required by law.

The above language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. The Franchisor and you intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

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

FOR THE STATE OF VIRGINIA:

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

Additional Disclosure. The following statements are added to Item 17(h) of the Disclosure Document. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

The following is added to the cover page of the Disclosure Document:

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

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

FOR THE STATE OF WASHINGTON:

Washington Addendum to the Franchise Disclosure Document, Franchise Agreement, and related agreements

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees**. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating

that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers**. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Deferred Collection of Initial Franchise Fees.** Pursuant to WAC 460-80-460, franchisor will defer collection of the Initial Franchise Fee and any other initial fees described in Item 5 of the Franchise Disclosure Document until the franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchised business is open for business.

20. **Prorated Collection of Development Fees.** Franchisor will prorate franchisee's applicable Development Fees and collect a portion of such Development Fees only after each franchised unit opens for business. The amount collected for each unit will be proportionate to the total Development Fee based on the number of units to be developed pursuant to the Development Schedule.

FOR THE STATE OF WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document and Franchise Agreement are amended accordingly.

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

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing State-Specific Addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the _____ day of _____, 20___, and of the Franchise Disclosure Document. The parties further acknowledge and agree that this State-Specific Addendum is applicable only to those persons specifically subject to the protections of the state laws referenced in this State-Specific Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this State Law Addendum as of the Effective Date of the Franchise Agreement between the parties.

Senior Care Authority, LLC	you: _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

Senior Care Authority, LLC

EXHIBIT G

Compliance Questionnaire

EXHIBIT G

COMPLIANCE QUESTIONNAIRE

As you know, Senior Care Authority, LLC and you are preparing to enter into a Franchise Agreement (as applicable to you, the "Agreement"). In this questionnaire, Senior Care Authority, LLC will be referred to as "we" or "us." The purpose of this questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be inaccurate. Please review each of the following questions carefully and provide honest and complete responses to each question. If the answer you give calls for a written explanation and there is not enough room in the space we provide on this questionnaire to give a complete written explanation, please attach additional pages as necessary. **Please answer "Yes" or "No" to each question.**

We will not ask you to complete this form, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

Question	Answer by writing "YES" or "NO"
1. Have you received, studied and reviewed carefully the Franchise Disclosure Document and Agreement(s)?	_____
2. Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?	_____
3. Do you understand all of the information contained in the Agreement(s) and each Addendum, schedule, or exhibit attached to it or them?	_____
4. Do you understand all of the information contained in the Franchise Disclosure Document and each addendum or exhibit attached to it?	_____

If your answer to questions 2 or 3 is "no," please explain your answer here:

_____
_____
_____

5. Have you discussed with an attorney, accountant, or other professional advisor the benefits and risks of establishing and operating a business as a Senior Care Authority® franchise, or have you made the decision not to consult with one?	_____
6. Have any of our employees or any other persons speaking on our behalf made any statement, promise or agreement concerning the likelihood of success that you should or might expect to achieve from operating a Senior Care Authority® franchise?	_____

If you answered "yes" to question 6, please tell us the statement, promise, or agreement made by our employee or person speaking on our behalf:

_____
_____
_____

Question	Answer by writing "YES" or "NO"
7. Has any employee or other person speaking on our behalf made any statement or promise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?	_____
8. Have any of our employees or any other persons speaking on our behalf made any statement, agreement or promise to you 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 FDD?	_____
9. Have any of our employees or any other persons speaking on our behalf made any statement, agreement or promise to you concerning the costs you may incur in operating a Senior Care Authority® franchise that is contrary to, or different from, the information contained in the FDD?	_____
10. Have we or any of our employees or any other persons speaking on our behalf made any oral, written, visual or other promises, agreements, commitments, representation, understandings, "side agreements" or otherwise that expand upon or are inconsistent with FDD or the Agreement(s), or any attached written addendum signed by you and an officer of ours?	_____

If you answered "yes" to questions 7, 8, 9, or 10, please tell us the statement, promise, or agreement made by our employees that differs from the information contained in the FDD:

_____
_____
_____

11. Do you understand that the success or failure of your business will depend in large part upon your skills and experience, your business acumen, the hours you will work, your location, the local market for Senior Care Authority® products and services, interest rates, the economy, inflation, the prevailing wage rate, competition, and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your business may change?	_____
12. Do you understand that there may be national, regional, state, or local laws or regulations applying to the operation of a Senior Care Authority® franchise (either specifically or generally), and that, as a franchisee, you are fully responsible as an independent business owner for learning about and complying with these laws?	_____
13. Do you understand that any training, support, guidance or tools we provide to you as part of the franchise are for the purpose of protecting the Senior Care Authority brand and trademarks and to assist you in the operation of your business and not for the purpose of controlling or in any way intended to exercise or exert control over your decisions or day-to-day operations of your business, including your sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of your employees and all other employment and employee related matters?	_____

Question	Answer by writing "YES" or "NO"

If you answered "no" to questions 11, 12, or 13, please explain your answer:

_____

_____

_____

14. Have we or any of our employees or any other persons speaking on our behalf made any statements to you regarding the financial condition of our parent company or any of our affiliated companies?

Which of our representatives have you met with? _____

_____

By signing below, you are acknowledging that you understand that your answers are important and that we will rely on them, and that you have responded truthfully to the above questions.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, EACH OF ITS PRINCIPALS MUST EXECUTE THIS ACKNOWLEDGMENT (Make Additional Copies if Necessary).

By: _____ Address: _____

_____

Name: _____ Telephone: _____

By: _____ Address: _____

_____

Name: _____ Telephone: _____

Senior Care Authority, LLC

EXHIBIT H

Confidentiality Agreement

EXHIBIT H

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT ("**Agreement**") is made and entered into this _____ day of _____, 20___, between ("**you**"); and _____ ("**Franchisee**").

RECITALS

A. Franchisee has entered into a franchise agreement with Senior Care Authority, LLC ("**Senior Care Authority**").

B. You are a Designated Manager, officer, director, or an entity affiliated with, or providing products or services to Franchisee.

C. As a result of Franchisee's relationship with you, you will have access to certain confidential and proprietary information of Senior Care Authority.

NOW, THEREFORE, in consideration of the foregoing and in order to induce Senior Care Authority to enter into, or to continue, a relationship with you, the parties hereby agree as follows:

1. Senior Care Authority Is Third Party Beneficiary. You and Franchisee acknowledge and agree that this Agreement is made for their mutual benefit and for the benefit and protection of Senior Care Authority, which is an intended third party beneficiary of this Agreement with rights to enforce the remedies provided herein.

2. Confidential Information. It is understood that as a result of your position or relationship with Franchisee, you will be afforded access to confidential and/or proprietary information of Senior Care Authority. In consideration of Senior Care Authority's agreement to enter into and continue its business relationship with Franchisee and to continue to make available to you and Franchisee information, including confidential and/or proprietary information, relating to Senior Care Authority and its business and operations, you agree not to disclose, furnish, divulge, communicate, or otherwise directly or indirectly use any of the confidential and/or proprietary information of Senior Care Authority (including without limitation sales and marketing methods and data, operating and other business data, computer programs, trade secrets, business plans, advertising and promotional methods, financial information and data, product information, information regarding current or prospective customers and clients, other franchisees, agencies, Suppliers, and other related information) (hereinafter, "**Confidential Information**"), other than strictly incidental to, and solely in furtherance and within the scope of, your relationship with Senior Care Authority and your employment or business relationship with Franchisee, which obligation applies at all times during and following your employment or relationship with Franchisee, regardless of the manner in which such employment or relationship ends or the reason for it ending. "Confidential Information" shall not include information which: (a) at or prior to the time of receipt was in the public domain; (b) at or prior to the time of receipt by you or the signing of the Franchise Agreement, whichever occurred first, was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed; or (c) is subsequently received by you or Franchisee from an independent third party not in breach of any duty of nondisclosure, secrecy, nonuse or similar duty, but only to the extent and in the form, manner and combination so disclosed.

You agree not to make any copies of, reproductions of, or extracts of any Confidential Information of Senior Care Authority except strictly incidental to, and solely in furtherance and within the scope of, your relationship with Senior Care Authority and your employment or business relationship with Franchisee. Upon termination of the Franchise Agreement (or of Franchisee's relationship with you, as the case may be), for any reason, you must return all lists, printouts, memoranda, reports, surveys, studies, notes, letters and all other documents then in your possession or under your control containing or relating to any Confidential Information, whether in paper, digital, or other form or medium, without retaining any copies or reproductions thereof in any form.

If you receive a subpoena or any other form of legal process seeking to compel the production of any Confidential Information, you will immediately provide Franchisee and Senior Care Authority with written notice of the receipt of such subpoena or process and a copy thereof, and will cooperate with Franchisee and Senior Care Authority in any

action they take to oppose the production of Confidential Information or to obtain a protective order. Written notice to Senior Care Authority shall be given to its President.

3. **Non-solicitation**. While you are employed by or associated with Franchisee, and for two (2) years after your employment or relationship ends, you must not, without prior written permission of Senior Care Authority, directly or indirectly:

(a) Employ or attempt to employ any person who at that time is employed, or within the prior six months has been employed by Senior Care Authority, Franchisee, or any affiliate of either of them.

(b) Induce or attempt to induce any person to leave employment with Senior Care Authority, Franchisee, or any affiliate of either of them, or any other franchisee of Senior Care Authority.

(c) Solicit or attempt to solicit any customers or clients for whom you provided services while you were employed by or affiliated with Franchisee.

4. **Breach of Agreement**. You acknowledge and agree that your violation or breach of the "disclosure of Confidential Information," or the "Non-solicitation" provisions, as provided by this Agreement, will cause irreparable injury to Senior Care Authority for which there is no adequate remedy at law. Accordingly, you agree that in the event of any breach or violation of this Agreement, Senior Care Authority and/or Franchisee will be entitled to enforce this Agreement by injunctive and any other equitable relief in any court of competent jurisdiction. Such relief will be in addition to other remedies available at law, including without limitation, recovery of damages. You agree to comply with a judgment forbidding you from violating these provisions in the event there is a finding of breach. In addition, Senior Care Authority will be entitled to recover and obtain from you all costs including, without limitation, reasonable attorneys' fees associated with any legal action arising out of your breach of any of the provisions of this Agreement.

If any phrase, clause or provision of this Agreement is declared invalid or unenforceable by a court of competent jurisdiction, such phrase, clause or provision shall be deemed severed from this Agreement, but will not affect any other provisions of this Agreement, all of which will otherwise remain in full force and effect.

You acknowledge and agree that the restrictions set forth herein are reasonable, in terms of scope, duration, geographic area, and otherwise that the protections afforded to Senior Care Authority hereunder are necessary to protect its legitimate business interests.

5. **Choice of Law**. This Agreement shall be governed by and construed and enforced in accordance with the laws of the state in which Franchisee's business is located, without respect to its conflict of laws principles.

Franchisee:	You: _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

Senior Care Authority, LLC

EXHIBIT I

Franchise Relationship Acknowledgement

EXHIBIT I

FRANCHISE RELATIONSHIP ACKNOWLEDGEMENT

Welcome to the Senior Care Authority team. Because you are becoming a part of the Senior Care Authority franchise system, it is important that you understand and acknowledge who is your employer, and who is not.

You have been hired by _____ (Legal Name of Franchisee) ("Franchisee"), which is an independent franchise owner in the Senior Care Authority franchise system (which we call the "System"). Although Franchisee looks the same, has the same name, and is operated the same way as other placement agencies in the System, Franchisee is not part of the same company as those other placement agencies in the System. Senior Care Authority, LLC is a completely separate company that owns the name and created the System. Senior Care Authority, LLC has devised rules, systems of operation, and policies and procedures that all of its franchisees must follow, including Franchisee, which make each of the independent franchise placement agencies look and operate the same way as one another. This way, Senior Care Authority, LLC manages a System composed of many different franchisee owners, each of whom is independently responsible for operating its own Senior Care Authority placement agency.

It is important that you understand that Franchisee is your **only** employer. Franchisee gives you your paycheck, establishes your hours, and is responsible for all decisions relating to your employment relationship. Senior Care Authority, LLC is **not** your employer. If Senior Care Authority, LLC representatives ever give you direction, training, or advice, it is intended only to ensure that the experience of all clients and referral sources of Senior Care Authority is the same at your place of work as it is at other placement agencies in the Senior Care Authority system. The fact that you are trained, or given direction or advice, by Senior Care Authority, LLC representatives does not somehow mean that Senior Care Authority, LLC is your employer.

If you have any questions about your employment relationship or about this Franchise Relationship Acknowledgement, please direct them to your employer, Franchisee.

I have read this Franchise Relationship Acknowledgement and I understand it. I have had the opportunity to ask any questions that I have about this Franchise Relationship Acknowledgement, and those questions have been answered fully to my satisfaction.

SIGNED

_____

DATE:

_____

Senior Care Authority, LLC

EXHIBIT J-1

List of Franchisees

List of Franchisees

As of December 31, 2024

Last Name	First Name	Address	Suite No.	City	State	ZIP
Johnson*	David and Leigh	10 North Section Street	Suite151	Fairhope	AL	36532
Corbett	Alexander	6424 E Greenway Parkway	Suite 100	Scottsdale	AZ	85254
Lynch*	Ronald and Debra	6909 West Ray Road 15-V03		Chandler	AZ	85226
Baskin	Marcy	775 Baywood Drive	Suite 200	Petaluma	CA	94954
Blood*	Jennifer	351 Paseo Nuevo	2nd floor	Santa Barbara,	CA	93101
Frantz	Terri and Michael	1375 E Grand Ave	Suite 103	Arroyo Grande	CA	93420
Johal*	Harp and BJ	145 S Fairfax Ave	Suite 200	Los Angeles	CA	90036
Sidhu*	Fateh	3935 N. Owl Perch Ct.		Sanger	CA	####
Simmons	Maureen	2201 Francisco Dr.	Suite 140-330	El Dorado Hills	CA	95762
Sims*	Terrance & Jennifer	2108 N ST	Suite 6466	Sacramento	CA	95816
Smith	Monica and Andy	4744 Telephone Rd.	Ste 3-306	Ventura	CA	93003
Sunner	Roger and Kiran	2585 E. Perrin Ave.	Suite 111	Fresno	CA	93720
Villa	Steve	850 Columbine Ct.		Danville	CA	94526
Wolff*	Mark and Karyn	6520 Lonetree Boulevard	Suite 1005	Rocklin	CA	95765
Hafenscher*	Kim	387 N Corona St	Suite 530	Denver	CO	80209
Randolph	Brandy	10754 Belle Creek Blvd.	Suite 109	Henderson	CO	80640
Steel	Lauren	1407 W. Pikes Peak Ave.		Colorado Springs	CO	80904
Dinicola	Melanie	139 Orange Street	Suite 401	New Haven	CT	06510
Spitzfaden	Harold	SoundView Plaza, 1226 E Mian Street	Suite 700 R	Stamford	CT	06902
Bergman	Todd and Denise	1344 S Apollo Blvd	Ste 2C	Melbourne	FL	32901
Cassell	Laura and Sean	6901-A North 9th Avenue	#232	Pensacola	FL	32504
Glacer	Jodi	159 NW 70th St.	Unit 402	Boca Raton	FL	33487
Graves	Rocky and Jenny	1540 International Pkwy	Suite 2000	Lake Mary	FL	32746
Narducci*	James	4082 W Palm Aire Drive	Suite 7	Pompano Beach	FL	33069
Paiser	Paul	4920 W. Cypress St.	Ste 104 #5048	Tampa	FL	33607
Perthuis*	Cynthia	8805 Tamiami N	Suite 231	Naples	FL	10128
Lyboldt	Chris and Daryl	13010 Morris Road	Suite 600	Alpharetta	GA	30004

Last Name	First Name	Address	Suite No.	City	State	ZIP
Rocco	Amanda & Dave	470 Commerce Drive		Peachtree City	GA	30269
Scheetz*	Christine	203 Edelweiss Circle		Tiffin	IA	52340
Rotto*	Knute & Pamela	11807 Allisonville Rd	Suite 529	Fishers	IN	46038
Gavin	Eva	9418 W 11th Terrace		Overland	KS	66210
Minter	Don and Elaine	22052 W 66th St.	Suite 179	Shawnee	KS	66226
Balyeat	Larry	9 Bear Creek Dr		New Orleans	LA	70131
LaCour	Andrew	345 Major Pkwy		New Roads	LA	70760
McNiff	Mary	55 West St		Walpole	MA	02081
Walsh	Timothy	1337 Massachusetts Ave., #264	Suite 264	Arlington	MA	02474
Dayton	Kelly and Eddie	16701 Melford Blvd	Suite 400	Bowie	MD	20715
Bong	Sophia	8077 Sawgrass Trail		Grand Blanc	MI	48439
Gripton*	Tammi and Chuck	100 West Big Beaver Road	Suite 200	Troy	MI	48084
Stormo*	Jeff	1971 E. Beltline, NE	Suite 106 #471	Gran Rapids	MI	49525
Hartlaub*	Ann	7455 France Ave S	STE 609	Edina	MN	55435
Dwyer	Erin Dwyer-Busch	100 Chesterfield Business Pkwy	Suite 200	Chesterfield	MO	63005
Kershaw	Patrick and Tina	1221 W. 103rd Street,	Suite 110	Kansas City	MO	64114
Kappelman	James	1340 Environ Way		Chapel Hill,	NC	27517
Mannion	Mike	6000 Fairview Rd	Suite 1200	Charlotte	NC	28210
Sunshine Reifschneider	Leigh & Hunt	322 S College Rd.	#1122	Wilmington	NC	28403
Thigpen	Mickey	615 St. George Square Court	Suite 300	Winston-Salem	NC	27103
Walsh	Tim	8041 Brier Creek Parkway	Suite 1245	Raleigh	NC	27617
Harmsen	Penny	19 8th Street South	Suite 890	Fargo	ND	58103
Salomone	Daniel	Mt Laurel Executive Center, 3000 Atrium Way	Suite 200	Mt Laurel	NJ	08054
Stamberg*	David	411 Hackensack Avenue,	Suite 200	Hackensack	NJ	O7601
Flattau	Adam	105 Maxess Rd.	Suite 124	Melville	NY	11747
Kearney and Schanz	Michael and David	144 Village Landing		Fairport	NY	14450
Nagraj*	Neil	1732 1st Avenue	Suite 322	New York	NY	10128
Wisniewski	Chris	430 Franklin St, 2nd Floor		Schenectady	NY	12305
Healy	Mark and Rachel	9378 Mason Montgomery Road	Suite 330	Mason	OH	45040

Last Name	First Name	Address	Suite No.	City	State	ZIP
Molnar*±	Mark and Mary	19120 Old Detroit Road	2nd floor	Rocky River	OH	44116
Boyle*	Matt	600 West Germantown Pike STE 400-266	STE 400-266	Plymouth Meeting	PA	19462
Lapic	Cara	2009 Mackenzie Way	Suite 100	Cranberry Township	PA	16066
Reardon	Randy	196 W Ashland St	Suite 650	Doylestown	PA	18901
Thompson	Kathy	651 Holiday Drive	Suite 400	Pittsburgh	PA	15220
Allison-Riley	Renee	1240 Winnowing Way,	Suite 102	Mt Pleasant	SC	29466
Cale	Linda and Mike Cale	2131 Woodruff Rd	Suite 2100	Greenville	SC	29607
Condon	Holly and David	1122 Lady Street	3rd floor	Columbia	SC	29201
Danesi	Steve	First Tennessee Plaza 800 South Gay Street,	Suite 700	Knoxville	TN	37929
Davila	Pam	6000 Poplar Ave	Suite 250 #7811	Memphis	TN	38119
Wenger	Kara	5543 Edmondson Pike,	Suite 83	Nashville	TN	37211
Alagood*	John	106 N. Denton Tap Road	Suite 210-153	Coppell	TX	75019
Angel	Jack	610 N Loop 336 E	Siute 121	Conroe	TX	77301
Cottingham	Lisa	10237 Little Falls Trail		Fort Worth	TX	76177
Drake, Elliott	Travis and Marti	792 E 1550 N		North Ogden	UT	84404
Isbell	Lisa	5324 Twin Hickory Road,		Glen Allen	VA	23059
Ott	Kelly	435 Merchant Walk Square	Ste. 300 #517,	Charlottesville	VA	22902
Tumlin	Junana	44679 Endicott Drive	Suite 300	Ashburn	VA	20147
Luettgen	Shelley	777 N Jefferson St Suite 408	Suite 408	Millwaukee	Wi	53202

*Denotes Franchisee with Multiple Marketing Areas

± Effective July 1, 2025, two entities in Ohio owned by Mr. Molnar and Ms. Molnar, which were previously franchisees became affiliated with us. Their respective outlets will be reported as company-owned outlets beginning with the 2026 FDD, which reflects outlet status as of December 31, 2025. They are considered affiliates as of July 1, 2025.

Senior Care Authority, LLC

EXHIBIT J-2

List of Franchisees With Agreements Signed, But Are Not Yet Open

List of Franchisees with Signed Agreements
That Have Not Yet Opened
As of December 31, 2024

As of December 31, 2024, there are no franchisees with agreements signed that have not opened.

Senior Care Authority, LLC

EXHIBIT J-3

List of Franchisees Who Left the System

List of Franchisees Who Have Left the System

As of December 31, 2024

Last	First Name	Phone	City / Area	State
Davis	Joy	510-606-5227	Alameda	CA
Wright	William	208-286-1190	Boise	ID
Prouty	Randy	833-772-2730	Bollingbrook	IL
Singer	Mary Sue	410-458-0080	Baltimore	MD
Smargis	Lynn	503- 830-1812	Portland	OR
Martinak	Leonard	281- 770-5645	Houston	TX

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

Senior Care Authority, LLC

EXHIBIT K

State Effective Dates and Franchise Disclosure Document Receipts

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	July 15, 2025
Hawaii	
Illinois	August 7, 2025
Indiana	July 21, 2024
Maryland	August 6, 2025
Michigan	June 6, 2025
Minnesota	June 25, 2025 as amended August 5, 2025
New York	November 6, 2025
North Dakota	May 1, 2025
Rhode Island	
South Dakota	
Virginia	May 29, 2025 Amended August 14, 2025
Washington	Pending
Wisconsin	April 30, 2025, as amended July 15, 2025

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

RECEIPT

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

If Senior Care Authority, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Under Iowa or New York law, if applicable, Senior Care Authority, LLC must provide this disclosure document to you at the earlier of the first personal meeting, or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires Senior Care Authority, LLC to give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Senior Care Authority, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: Frank Samson and Mark Molnar, 885 Tahoe Blvd., Incline Village, Nevada 89451, (888) 809-1231, or email: frank@seniorcareauthority.com. We have inserted the name and address of any other franchise seller below (we attach additional pages if necessary):

_____

See Exhibit A for Senior Care Authority, LLC's registered agents authorized to receive service of process.

I have received a disclosure document issued April 23, 2025, amended July 7, 2025 that included the following Exhibits:

A. State Administrators / Agents for Service of Process	F. Form of General Release
B. Franchise Agreement	G. Compliance Questionnaire
	H. Confidentiality Agreement
C. Financial Statements	I. Franchise Relationship Acknowledgement
D. Operations Manual Table of Contents	J. State Effective Dates; Receipts
E. State-Specific Addendum	

Date	Signature	Printed Name
Date	Signature	Printed Name

Please sign both copies of the receipt and date your signature. Please retain one copy for your records, and return the other copy to Frank Samson, 885 Tahoe Blvd., Incline Village, Nevada 89451, (888) 809-1231, or email: frank@seniorcareauthority.com.

RECEIPT

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

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