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HOME INSTEAD®
FRANCHISE DISCLOSURE DOCUMENT

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FRANCHISE DISCLOSURE DOCUMENT

HOME INSTEAD, INC.,
A Nebraska Corporation
13323 California Street,
Omaha, Nebraska 68154

402-498-4466
franinfo@homeinsteadinc.com
HomeInstead.com

As a franchisee, you will operate a Home Instead® business which provides home care, companionship services, nurse directed care and other specialized services for older adults and other individuals who need care.

The total investment necessary to begin operation of a Home Instead® franchised business is from $112,500 to $156,500. This includes $54,000 which must be paid to us as the initial franchise fee.

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 to you. To discuss the availability of disclosures in different formats, contact the Franchise Development Department at 13323 California Street, Omaha, Nebraska 68154, 402-498-4466.

The terms of your contract will govern your franchise relationship. Do not 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, such as a lawyer or accountant.

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

There may also be laws on franchising in your state. Ask your state agencies about them. Issuance Date: April 29, 2024

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How to Use This Franchise Disclosure Document

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

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

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What You Need To Know About Franchises *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 delegates. These items may be more expensive than similar items you could buy or 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 the 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 C.

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.

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Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Nebraska. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to litigate with the franchisor in Nebraska than in your own state.

2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, 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.

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.

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NOTICE REQUIRED
BY
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.

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

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

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and 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 30 days, to cure such failure.

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, P.O. Box 30213, Lansing, Michigan 48913, telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

In this franchise disclosure document, "we," "us," "our," or "Home Instead, Inc." means Home Instead, Inc., the franchisor. "You" means the person who is buying the franchise. If you are a corporation, partnership, limited liability company or other entity, "you" includes your owners or members. We are a corporation formed in the State of Nebraska on May 4, 1994. Our principal place of business is 13323 California Street, Omaha, Nebraska 68154. Our agents for service of process are listed in Exhibit C.

We originally incorporated under the laws of the State of Nebraska on May 4, 1994, under the name of Home Instead, Inc. and began selling franchises under the name Home Instead Senior Care® in 1995. Throughout our history, we have offered franchises for the business which is subject to this offering and has not offered franchises in any other line of business.

Predecessor

We have no predecessors.

Parent

We are owned by Honor Technology, Inc., a corporation formed in the State of Delaware ("Honor"). Honor's principal place of business is 13323 California Street, Omaha, Nebraska 68154.

Affiliates

Our affiliates as of the issuance date of this disclosure document are listed below. HI Omaha, LLC, has operated a Home Instead business in Omaha, Nebraska, located at 13323 California St., Omaha, NE 68154, since 1994. HI Omaha, LLC has also operated a Home Instead business in St. Charles, MO located at 1360 S. 5th Street, Suite 377, St. Charles, MO 63301, since 2022. Certain subsidiaries of Honor may provide recruiting, staffing and other back office services to franchisees under the Care Platform (described below), including: Home Instead by Honor Massachusetts, Inc., Home Instead by Honor Maryland, Inc., Home Instead by Honor Minnesota, Inc., Home Instead by Honor New York, Inc., Home Instead by Honor Oregon, Inc., Home instead by Honor Virginia, Inc., Honor Care Network Arizona, LLC, Honor Care Network Central, LLC, Honor Care Services Connecticut, Inc., Honor Care Services Illinois, Inc., Honor Care Services Indiana, Inc., Honor Care Services Kentucky, Inc., Honor Care Services North Carolina, Inc., Honor Care Services Ohio, LLC, Honor Care Services South Carolina, LLC, Honor Care Services Tennessee, LLC, Honor Care Services Washington, LLC, Honor Home Care New Mexico, LLC, Honor Home Care Services California, Inc., and Honor PC Texas, Inc., all with their principal place of business at 13323 California Street, Omaha, NE 68154; Honor Care Services Colorado, Inc., with its principal place of business at 7535 East Hampden Avenue, Suite 400, Office No.

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406, Denver, CO 80231; Honor Care Network Florida, LLC, with its principal place of business at 2598 E. Sunrise Blvd. Suite 2104, Fort Lauderdale, FL 33304; Honor Care Network Pennsylvania, Inc., with its principal place of business at 1215 West Baltimore Pike #6, Media, PA 19063; Honor Care Services Nevada, Inc., with its principal place of business at 400 S. 4th Street, Suite 500, Office 504, Las Vegas, NV 89101; Honor Care Services South Carolina, Inc., with its principal place of business at 1409 W Ezell Blvd, Spartanburg, South Carolina 29301; and Honor Care Services Utah, Inc., with its principal place of business at 10 W Broadway, Ste. 700, Salt Lake City, UT 84101. None of our affiliates have offered any franchises, including Home Instead® franchises.

The Franchise

We franchise the operation of a business providing in home care services for older adults and other individuals such as companionship, personal, nurse directed and specialized services, including hospice and Alzheimer's care for older adults (the "Franchised Business") utilizing our unique and distinctive formats, systems, standards and procedures (the "System") and identified by certain trademarks, domain names, service marks and other commercial symbols (the "Licensed Marks").

We enter into master franchise or license agreements in selected foreign markets only. Currently we have master franchise or license agreements in Australia, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Singapore, Switzerland, and the United Kingdom. We also have franchise agreements with individual franchisees in Canada.

A Home Instead Franchised Business provides an effective solution for people at any point in the aging process who prefer to remain at the home of their choice where their quality of life can be enhanced without the stress and hardships of interrupted routines and daily habits. The Home Instead System utilizes a care concept comprised of a certain number of integral parts, all of which are necessary for a successful operation, and which are fully described in our confidential Operations Manual, as defined in Item 11. A Home Instead franchisee employs individuals who are trained to provide professional and reliable services to clients (each a "Care Professional"). We specifically designate the services that franchisees may offer to clients and those services may change at our discretion from time to time.

Honor developed a proprietary care management system (the "Care Platform"). The Care Platform is a centralized operations platform that allows franchisees to operate in collaboration with Honor to deliver quality home care services to clients through a services agreement. The Care Platform is not currently available to all franchisees. The Care Platform may be made available in its current form or in a different form, which may vary by market and over time, and may result in a change in the services provided by the Care Platform. Currently, the services provided to Franchised Businesses through the Care Platform include recruitment, onboarding, training, and employing Care Professionals, care management, and client billing and collection in accordance with the Operations Manual. Franchisees using the Care Platform remain responsible for providing client outreach and awareness, performing in-home consultations and assessments of clients' needs, completing all client onboarding processes, reassessments, and providing ongoing client management in accordance with the Operations Manual. The Care Platform has requirements for scope of care, minimum hours, and payor sources that may be different or more restrictive than

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those requirements for a Franchised Business that does not use the Care Platform. As a result, a Franchised Business that uses the Care Platform may not be able to do so for all of its clients or Care Professionals. Participating franchisees will enter into a joint service agreement with Honor, attached as Exhibit I ("Joint Service Agreement"). Honor may offer the following incentives to franchise owners to sign a Joint Service Agreement for the Care Platform: (1) a transition investment payment equal to a percentage of the Franchised Businesses' annual recurring revenue utilizing the Care Platform; and/or (2) a grant of exclusive right of first refusal, for a limited term and subject to Home Instead's then-applicable requirements to purchase additional franchises, and availability to purchase and operate a new Home Instead business in an open territory.

Separately, we may conduct a pilot with selective franchisees in which we would make an equity investment in the franchisee. The terms and conditions of any pilot will be disclosed to the participating franchisees at that time.

Market and Competition

The market for home care services to older adults is well-developed and growing as the number of people aged 65 years and older in the United States continues to increase. A Home Instead franchisee can expect to compete with other national and local home care businesses, home health companies, hospitals, living facilities and sole proprietors performing similar services.

Industry-Specific Laws and Regulations

There are federal, state and local laws and regulations that may impact your Franchised Business. We may identify existing requirements or provide updates on laws or regulations for informational purposes only. However, these services are not legal advice and are not a substitute for consulting with your own legal advisor. This document does not address all laws or regulations that may apply to your Franchised Business. In operating your Franchised Business, you maintain full responsibility for compliance with all applicable laws.

The Federal Fair Labor Standards Act ("FLSA") establishes rules which may affect your payment of employees. The FLSA provides federal minimum wage and overtime obligations for payment of employees.

Home Instead Franchised Businesses may have obligations related to overtime, travel time, and time spent by Care Professionals engaged to wait between work shifts. You are encouraged to work with your attorney to determine how to calculate and manage overtime, travel time, and wait time within your Franchised Business.

Your Franchised Business may be located in an area that has created its own specific minimum wage, overtime, or other compensation rules. If the state or local rules where you operate your Franchised Business are different from the minimum wage and overtime rules under the FLSA, then the state or local rules may control and override federal law. You and your attorney must determine whether your employees will be subject to overtime and the minimum compensation requirements required by your state and local laws.

The Federal Occupational Safety and Health Act may also impact your Franchised Business. In some states this act is enforced by the Occupational Safety and Health Administration

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("OSHA"). OSHA generally requires employers under its jurisdiction to record and report work-related fatalities, inpatient hospitalizations and specified incidents. OSHA rules provide exemptions from recordkeeping and reporting for employers based upon the industry or business size. While your business size may vary, your Franchised Business will generally be considered as within the home care services industry. Under current rules, the home care services industry is generally not exempt from recordkeeping requirements, but may be exempt from reporting requirements based upon business size. If your Franchised Business is not exempt based upon the size of your business, you may have specific reporting obligations.

If your Franchised Business is located in a state that utilizes an OSHA-approved state plan ("State Plan"), then you will not be directly subject to Federal OSHA jurisdiction. However, State Plan standards must meet or exceed Federal OSHA rules. That means that if your Franchised Business is subject to a State Plan, you may have additional obligations related to recording and reporting.

Through services provided to clients of your Franchised Business, you may access individuals' information protected by state and federal law(s). Each Franchised Business must comply with all applicable state and federal privacy and security laws, our privacy policy and policies and procedures stated in the Operations Manual.

You must sign a "Confidentiality of Client Health Information Agreement" in the form attached to the Franchise Agreement as Exhibit B. This form provides that both we and the Franchised Business intend to protect client health information under applicable federal and state privacy laws. The agreement is primarily designed to address the privacy and security requirements of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, as amended ("HIPAA") for Franchised Businesses subject to HIPAA. The agreement also acknowledges, however, that HIPAA may not currently apply to all Franchised Businesses. To the extent you are a "Covered Entity" under HIPAA, or as required by the Operations Manual, we and you will protect health information according to the Privacy, Security, Enforcement, and Breach Notification Rules under HIPAA. You may be required to sign additional agreements that we determine are necessary for compliance.

Specific laws and regulations in your state or local area may also require licensure, certification, registration or training of individuals providing services. For example, all nursing services that are performed, supervised or delegated by a nurse must be in accordance with your state nursing practice act.

Licensure requirements may also apply to your Franchised Business. Some states may require a certificate of need. Additionally, certain services may require compliance with the Federal Clinical Laboratory Improvement Amendment (CLIA), including obtaining a certificate of waiver. It is your responsibility to understand any regulatory requirements for your provision of services, including nursing delegation requirements, and to ensure your Franchised Business adheres to those requirements.

To maintain a state license for your Franchised Business, you may be required to meet specific criteria for: employee screening, employee training, policies and procedures, record-keeping, client care plans, client notices, data privacy and security, employee qualifications, and/or

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compliance audits. These state specific obligations may exceed our requirements. If this is the case in your state, you are required to comply with both your state requirements and our requirements. In all cases, you must comply with our requirements and the law, at a minimum.

If your Franchised Business chooses to accept reimbursement from federal health care programs, such as Medicaid or the Veterans' Administration ("VA"), then you will be responsible for knowing and complying with all applicable regulatory and contract requirements. Such requirements include compliance with the False Claims Act and Federal Anti-Kickback Statute ("AKS").

The False Claims Act prohibits certain actions that may defraud government programs, such as the making of a false claim to the federal government for payment or approval. This includes making or using a false statement that is material to a false claim.

AKS prohibits the exchange or offer of anything of value as an inducement or reward for the referral of patients or patient care opportunities paid in whole or in part by a federal health care program, including the VA. The AKS prohibits, and imposes criminal penalties, for many business practices that are common outside the health care industry. Additionally, a number of states have enacted laws, which prohibit payment for referrals and other similar arrangements.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer: Seth Sternberg

Seth Sternberg has been co-founder and Chief Executive Officer of Honor in San Francisco, California since July 2014. In addition, Seth was appointed Chief Executive Officer of Home Instead in June 2022. In this role, Seth oversees all operations for Honor, Home Instead and other Honor subsidiaries.

President: Ian Clarkson

Ian Clarkson was appointed President of Honor and Home Instead in Seattle, Washington in October 2022. In this role, Ian oversees the Care, Growth and Product teams for Honor and Home Instead. Prior to joining Honor and Home Instead, Ian was President and Chief Operating Officer of Nerdy, an educational technology organization, in Seattle Washington from January 2016 to October 2022.

Chief Financial Officer and Director: Andrew Steinberg

Andrew Steinberg was appointed Chief Financial Officer of Honor and Home Instead in San Mateo, California in August 2022 and Director of Home Instead in December 2022. In this role, Andrew oversees finance operations for Honor and Home Instead. Prior to joining Honor and Home Instead, Andrew was Managing Director at EverCore, a global investment management and advisory firm, in Menlo Park, California from August 2012 to August 2022.

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Chief Operating Officer: Stephenie Landry

Stephenie Landry was appointed Chief Operating Officer of Honor and Home Instead in Seattle, Washington in January 2024. From June 2003 to January 2024, Stephenie served in several positions at Amazon, including Vice President of Net Zero Operations from March 2023 to January 2024 and Vice President of Grocery from July 2014 to March 2023.

Chief Marketing Officer: Jessie Brumbach

Jessie Brumbach was appointed Chief Marketing Officer of Honor and Home Instead in Omaha, Nebraska in June 2022. From June 2018 to June 2022, Jessie was Global Chief Brand Officer of Home Instead, and from October 2013 to June 2018, Jessie was Chief Brand Officer of Home Instead in Omaha, Nebraska.

General Counsel and Secretary: Sharon Le Duy

Sharon Le Duy has been General Counsel of Honor in San Francisco, California since February 2015. In addition, Sharon was appointed General Counsel of Home Instead in June 2022 and Secretary of Home Instead in December 2022. In this role, Sharon oversees all legal functions for Honor, Home Instead and all other subsidiaries.

Senior Vice President, Operations Home Instead Network: Linn Free

Linn Free was appointed Senior Vice President, Operations Home Instead Network, of Honor and Home Instead in Lexington, South Carolina in July 2023. From October 2011 to July 2023, Linn served in several positions for Yum! Brands, including that of Chief Operating Officer – KFC Canada from November 2015 to May 2020 and Global Director of Operations – KFC Global from June 2020 to July 2023.

Vice President Network Performance: Doug Cook

Doug Cook was appointed Vice President, Network Performance of Honor and Home Instead in Louisville, Kentucky in February 2024. From October 1996 to February 2024, Doug served in several positions for Kentucky-based Yum! Brands and its KFC subsidiary, including Senior Director, Restaurant Strategies for KFC from May 2019 to February 2024 and Director, Franchise Operations for KFC from March 2019 to May 2019.

VP Business Operations: Lakshmi Venkatesan

Lakshmi Venkatesan was appointed VP of Business Operations of Honor and Home Instead in San Francisco, California in May 2023. From November 2015 to March 2023, Lakshmi served in several positions for Sunrun, Inc. in San Francisco, California, including VP, Head of Market Strategy & Management.

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Franchise Development Director: Kathleen McKay

Kathleen McKay has been our Franchise Development Director in Omaha, Nebraska since January 2014. In addition, Kathleen was appointed Franchise Development Director for Honor in Omaha, Nebraska in June 2022. From May 2006 to December 2013, Kathleen was our North American Franchise Development Manager.

Franchise Development Program Director: Henri Joubert

Henri Joubert was appointed Franchise Development Program Director of Honor and Home Instead in Louisville, Kentucky in November 2023. From April 2016 to November 2023, Henri served in several positions for Kentucky-based Yum! Brands, including Senior Franchise Development Manager for KFC US from March 2021 to November 2023, Regional Franchise Development Manager (Northeast) for KFC US from September 2019 to March 2021, and Senior KFC Franchise Development Manager (Africa) for KFC from April 2016 to August 2019.

Platform Sales Senior Director: Kimmey Hardesty

Kimmey Hardesty was appointed Platform Sales Senior Director of Honor and Home Instead in Reno, Nevada in June 2023. Kimmey joined Honor in March 2021 and has served in various positions for Honor including Senior Director, Partner Development from June 2022 to June 2023. Prior to joining Honor and Home Instead, Kimmey was Associate Principal at Chartis Healthcare Consulting, a healthcare advisory firm in San Francisco, California, from March 2019 to February 2021.

Platform Sales Director: Tyler Serbin

Tyler Serbin was appointed Platform Sales Director of Honor and Home Instead in Leander, Texas in July 2023. From November 2019 to July 2023, Tyler served as Senior Manager Partner Development and Regional General Manager for Honor. From July 2019 to November 2019, Tyler served as Asset Protection Business Partner at Target Corporation, and from February 2016 to November 2019, he served as store director for Target Corporation, in Denver, Colorado.

Platform Sales Director: Kevin Ball

Kevin Ball was appointed Platform Sales Director of Honor and Home Instead in San Antonio, Texas in March 2023. Prior to joining Honor and Home Instead, Kevin was a Business Development Manager at ChampionX, an oilfield technology solutions company in San Antonio, Texas from January 2013 to March 2023.

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ITEM 3

LITIGATION

Pending Litigation

Home Instead, Inc. v. Head et al. (U.S. District Court of Nebraska, Case No. 8:23cv00424). On September 27, 2023. we asserted claims against franchisee, Head 2 Head, Inc. ("Head"), and its guarantors for violation of the Lanham Act, misappropriation of trade secrets, and to enforce the post termination non-competition provisions of the franchise agreement, including the non-competition provisions, after Head failed to renew its franchise by not executing the then-current franchise agreement. The franchise agreement expired by its own terms and Head continued operating past the expiration of the franchise agreement. We have sought a declaratory judgment, injunctive relief, monetary damages, an accounting, and an award of our costs and attorneys' fees incurred in bringing the action. In response, Head filed a motion to dismiss on October 31, 2023. In a related action, Head filed a complaint against us and our CEO in the United States District Court for the Western District of Virginia on November 1, 2023 (Head et al. v. Home Instead, Inc., Case No. 6:23CV00067) alleging violation of the Virginia Retail Franchising Act, breach of franchise agreement, and breach of the implied covenant of good faith and fair dealing, stemming from our alleged breaches of the franchise agreement.

On March 18, 2024, the parties attended a mediation in which they reached an agreement to settle the litigation under the following material terms: the franchisee will cease to be a Home Instead franchisee; a stipulated judgment will be entered in our favor on all of our claims and will include an award of monetary damages; a stipulated order of permanent injunction will be entered against the franchisee enforcing certain post-term covenants as stated in the order, including that the franchisee will debrand and that for two years, the franchisee will engage in covered activities only within specified geographic areas; and we will not enforce the monetary damages awarded in the stipulated judgment unless the franchisee violates the stipulated order of permanent injunction.

Home Instead, Inc. v. Elderly Care Services, LLC et al., (U.S. District Court of Nebraska, Case No. 8:23cv00431. On September 29, 2023 we asserted claims against franchisee, Elderly Care Services, LLC ("Elderly Care"), and its guarantors for violation of the Lanham Act, misappropriation of trade secrets, and to enforce the post termination non-competition provisions of the franchise agreement, including the non-competition provisions, after Elderly Care failed to renew its franchise by not executing the then-current franchise agreement. The franchise agreement expired by its own terms and Elderly Care continued operating past the expiration of the franchise agreement. We have sought a declaratory judgment, injunctive relief, monetary damages, an accounting, and an award of our costs and attorneys' fees incurred in bringing the action. In response, Elderly Care filed a motion to dismiss the Lanham Act and misappropriation of trade secrets claims on November 10, 2023. In addition, Elderly Care asserted counterclaims against us and claims against our CEO alleging breach of the franchise agreement and breach of the implied covenant of good faith and fair dealing, stemming from our alleged breaches of the franchise agreement.

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Concluded Actions

Elder Care Providers of Indiana, Inc. v. Home Instead, Inc., Case No. 1:14cv01894, was filed in the United States District Court for the Southern District of Indiana on November 18, 2014. In this action, former franchisee, ElderCare Providers of Indiana, Inc. (EPI) asserted claims against Home Instead, Inc. for declaratory relief, breach of contract, and violations of the Indiana Deceptive Franchise Practices Act ("IDFPA"), after Home Instead, Inc. terminated EPI's Franchise Agreement due to misuse of Home Instead, Inc.'s trademarks and violation of the in-term and post-term non-competition covenants, and the non-disclosure covenants in the Franchise Agreement. EPI and its guarantors sought, in addition declaratory relief respecting the non-competition and non-disclosure covenants and other provisions (including validity) of the Franchise Agreement, damages in an undetermined amount. Home Instead, Inc. asserted, in its Answer to Second Amended Complaint and Counterclaims filed July 15, 2015 (the "Counterclaim"), claims (among others) against EPI and its guarantors for violating the in-term and post-term non-competition covenants and the non-disclosure covenants in the Franchise Agreement, trademark infringement, and unfair competition and/or deceptive trade practices. On March 24, 2017, the Court issued an Order on Cross Motions for Summary Judgment granting and denying each Motion in part. The Court granted summary judgment in favor of Home Instead, Inc. finding that the termination notice did not violate the IDFPA and that Home Instead, Inc. did not discriminate against EPI and its guarantors. The Court granted summary judgment in favor of EPI and its guarantors finding that they were wrongfully terminated without notice and an opportunity to cure; they did not violate the Franchise Agreement's covenant not to compete and they did not breach the Franchise Agreement's non-disclosure provision. The Court denied the balance of EPI's motion. On March 30, 2018, the parties entered into a settlement agreement, including a stipulated judgment and order, under which: (1) judgment was entered in favor of Home Instead, Inc. on certain counterclaims against EPI, including those involving violation of the non-disclosure covenants in the Franchise Agreement, misappropriation of Home Instead, Inc.'s confidential information, trademark infringement and unfair competition; (2) Home Instead, Inc. was awarded damages in the amount of $500,000, which amount would be satisfied upon EPI's transfer of certain rights under an "Assignment Agreement" involving the franchised Home Instead® business previously operated by EPI; (3) EPI and its related parties were permanently enjoined from using Home Instead, Inc.'s service marks or certain similar marks; (4) the parties agreed to a mutual release of claims; and (5) all remaining claims were dismissed with prejudice.

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Material Civil Actions Involving the Franchise Relationship in the Last Fiscal Year.

Franchisor action to enforce post-termination covenants following franchisee non-renewal, including non-compete and Lanham Act violations:

1. Home Instead, Inc. v. Home Care for Seniors, Inc. et al., No. 8:23cv00425, (D. Neb. 2023). (Subsequently dismissed after franchisee agreed to renew under current form franchise agreement)

2. Home Instead, Inc. v. Rochester Senior Care, LLC et al., No. 8:23cv00430, (D. Neb. 2023). (Subsequently dismissed after franchisee agreed to renew under current form franchise agreement.)

Other than the above actions, no litigation is required to be disclosed in Item 3.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee of $54,000. The initial fee is due when you sign the Franchise Agreement. Except as provided below, the initial fee is not refundable under any circumstances. The initial franchise fee may be subject to applicable discounts, as described below.

To reserve the availability of a market prior to signing the Franchise Agreement, we may allow you to enter into a Deposit Agreement with us (see Exhibit H). A Deposit Agreement may be entered into at least 14 calendar days after you receive a Franchise Disclosure Document. The Deposit Agreement will require you to make a deposit payment of $27,000 to reserve the availability of a market. If you then enter into a Franchise Agreement with us, we will apply the deposit payment toward the initial franchise fee. If you choose not to purchase a franchise, we will refund $24,300 of your original deposit payment. To receive this refund, you must notify us in writing that you are withdrawing your request to be considered as a franchisee within 90 days after the date of the Deposit Agreement. The entire deposit payment of $27,000 will be refunded to you if we decide, at our discretion, not to approve you as a franchisee.

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1) VetFran Discount

As a member of the International Franchise Association ("IFA"), we participate in the IFA's VetFran Program. A discount of 20% off the initial franchise fee (reduced initial franchise fee is $43,200) is available to honorably discharged veterans of the United States Armed Forces who do not currently own a Home Instead franchise and who otherwise meet our requirements to purchase a franchise. In determining who is a "veteran," we may be guided, in whole or in part, by any definitions we find appropriate, including definitions used by the federal government of the United States, in determining who is eligible for federal benefits intended for veterans.

2) Mission to Service Veteran Scholarship Program

If you are a qualified veteran, or you are the spouse of a qualified veteran, you may be eligible to apply for a waiver of your initial franchise fee. From June to October each year, veterans and spouses of veterans can apply to receive this incentive. This incentive is offered for up to two qualified applicants per year.

Training Fees

As a part of your initial franchise fee, we will provide initial franchise training and training materials for up to two people. If you elect to have more than two people attend our franchise training program, you must pay the estimated costs of $1,500 per additional person for training and materials and $750 per additional hotel room. You are responsible for travel expenses to and from the training site and for some limited meal costs for you and your employees.

Except for the circumstances described in this Item 5, we do not refund any initial fee.

We uniformly impose all fees described in this Item 5. All fees described in this Item 5 are collected by and payable to us. During 2023, we received initial franchise fees ranging from $43,200 to $54,000.

ITEM 6

OTHER FEES

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Sales (Note 2)	15th and the last day of each month or such other dates as specified in the Operations Manual	Paid by automatic Electronic Funds Transfer (EFT). See Note 2 If you participate in the Care Platform, Honor will retain an amount to satisfy your obligation under the Franchise Agreement to pay your Royalty Fee.

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Type of Fee (Note 1)	Amount	Due Date	Remarks
Franchise Training Fee (for additional people)	$1,500 (1 person, no hotel) $1,750 (1 person, 1 hotel room) (Note 3)	Before training	We do not charge a training fee for the first two attendees at our initial training program (included in initial franchise fee). Please note, you are responsible for your travel expenses to and from the training site and some limited meal costs.
Supplemental Training at Your Office	$500 a day plus expenses	As requested	Provided at your request.
Transfer Fee	$22,000	As requested	Payable by either the transferee or transferor at the time ownership of the franchise is transferred.
Additional Owner Fee	$5,000	As requested	Payable before starting the new owner vetting process.
Audit Fee	Cost of audit, including travel expenses, compensation of employee(s), plus interest on amount of any underpayment	As requested	Payable if audit is made necessary by the failure to furnish reports, supporting records, financial statements or other documents or information on a timely basis or as required or shows an understatement of at least 2% of Gross Sales for any month.
Renewal Fee	$5,000	Automatically deducted via EFT on the Renewal date	Paid by automatic EFT (See Note 4).
Marketing Fund	2% of monthly Gross Sales See "Marketing Fund" Section of Item 11 for further information.	Payable at same time and in same manner as Royalty Fee	You must contribute 2% of monthly Gross Sales to the Fund. Contributions to the Marketing Fund must be made by EFT. If you participate in the Care Platform, Honor will retain an amount for placement into the Marketing Fund to satisfy your obligation under the Franchise Agreement to contribute to the Fund.
Technology Fee	Our then-current fee (currently $500/month)	The 15th day of each month	Later in 2024, to coincide with the release of franchisee operational tools, we will require you to pay us a monthly Technology Fee. We may adjust the fee at any time upon 60 days' written notice although we will not increase the Technology Fee by more than 25% per calendar year.

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