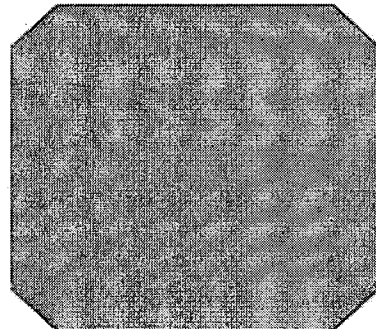
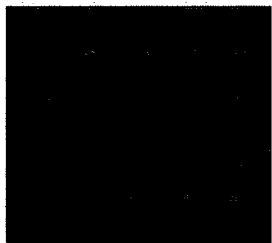
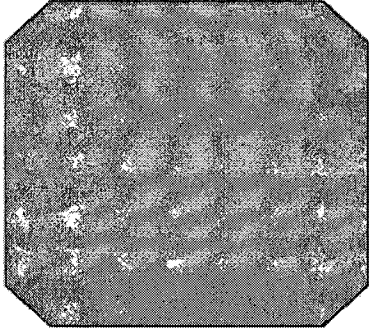
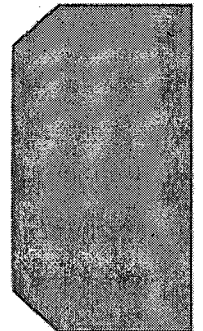
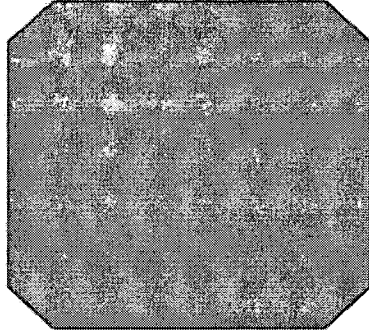
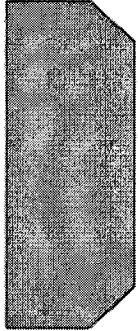
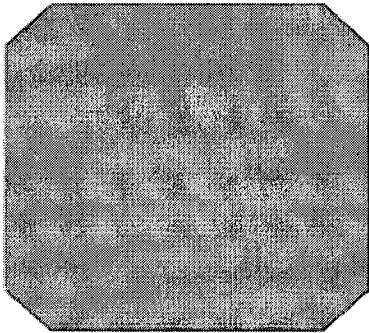
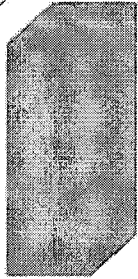


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Right at Home
Franchise Disclosure Document
Multi-State



FRANCHISE DISCLOSURE DOCUMENT

Right at Home, Inc.

A NEBRASKA CORPORATION
6464 CENTER STREET, SUITE 150
OMAHA, NEBRASKA 68106
(402) 697-7537

DEVELOPMENT@RIGHTATHOME.NET
WWW.RIGHTATHOME.NET



The franchisee will operate a Right at Home business that provides (i) in-home assistance and companionship services for seniors and others, and (ii) supplemental staffing services for nursing homes, hospitals and other medical institutional settings.

The total investment necessary to begin operation of a Right a Home franchise ranges from \$64,900 to \$111,600 (the total amount of Item 7). This includes \$42,500 that must be paid to the franchisor.

If you sign a Multiple Unit Development Agreement, you will pay an Initial Franchise Fee of \$42,500 for the first Franchised Business plus \$28,500 for each additional Franchised Business that you intend to develop under the terms of the Multiple Unit Development Agreement.

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

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

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

Issuance Date: **March 19, 2012**

STATE COVER PAGE

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

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

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

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

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

WE RESERVE THE RIGHT TO REQUIRE YOUR SPOUSE TO SIGN A PERSONAL GUARANTY MAKING HIM/HER JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND PLACING HIS/HER PERSONAL ASSETS AT RISK.

THE FRANCHISE AGREEMENT AND MULTIPLE UNIT DEVELOPMENT AGREEMENT STATE THAT NEBRASKA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

YOUR FRANCHISE MAY BE TERMINATED IF YOU FAIL TO MEET THE AVERAGE NET BILLING REQUIREMENTS ESTABLISHED FOR YOUR FRANCHISED BUSINESS.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.



**FRANCHISE DISCLOSURE DOCUMENT EFFECTIVE DATES
IN DESIGNATED STATES**

The following states require that the 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 Franchise Disclosure Document is registered, on file, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure (or business opportunity*) laws as of the dates listed:

California	April 20, 2011
Florida	June 5, 2011
Hawaii	June 7, 2011
Illinois	March 30, 2011
Indiana	April 1, 2011
Kentucky*	June 1, 2000
Maryland	November 4, 2011
Michigan	April 1, 2011
Minnesota	April 12, 2011
Nebraska*	June 1, 2000
New York	April 28, 2011
North Dakota	April 21, 2011
Rhode Island	April 15, 2011
South Dakota	March 30, 2011
Texas*	June 6, 2010
Virginia	June 17, 2011
Utah	April 14, 2011
Washington	April 9, 2011
Wisconsin	March 31, 2011

In all other states, the effective date of this Franchise Disclosure Document is **March 19, 2012**.

* Denotes one-time filing



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

To simplify the language in this Franchise Disclosure Document, the word “we”, “us” or “**Right at Home**” means Right at Home, Inc., the Franchisor of this business; and the word “**Franchisee**” or “you” means the person who buys the franchise, whether you are an individual or a corporation, partnership, limited liability company or other legal entity.

The Franchisor and Its Affiliates

We are a Nebraska corporation that was incorporated on July 8, 1999. Our principal business address is 6464 Center Street, Suite 150, Omaha, Nebraska 68106. We do business under our corporate name and the names “Right at Home” and “RAH Staffing Services.” We do not have a predecessor and we do not have a parent. We have offered franchises since May 5, 2000. We do not engage in any other business activities. We do not offer franchises in any other lines of business. Likewise, we do not have any predecessors offering franchises in this or any line of business.

Our agent and address for service of process in Nebraska is Allen Hager at 6464 Center Street, Suite 150, Omaha, NE 68106. Our other agents for service of process are disclosed on **Exhibit A**.

We have two affiliates: Teryl Corp., a Nebraska corporation that was incorporated in May 1995, and Right at Home International (“RAHI”), a Nebraska corporation that was incorporated in March 2009.

Teryl Corp. is located at 13304 West Center Road, Omaha, Nebraska 68144 and its telephone number is (402) 697-7536. It operates a business similar to the Franchised Business by providing non-medical in-home care assistance and companionship services. In October 1998, Teryl Corp. began offering healthcare supplemental staffing services. In July 2001, Teryl Corp. began offering home health services. It does not offer franchises in any line of business. Allen Hager, our President, has been a 50% owner of, and has operated, Teryl Corp.

RAHI is located at 6464 Center Street, Suite 150, Omaha, Nebraska. RAHI is licensed by RAH to use its Marks and System. RAHI offers personal, non-transferable, and exclusive rights to Master Franchisees outside of the United States of America with the right of Master Franchisees to both use and sublicense the right to use our System and Marks. RAHI does not offer franchises in other lines of business. RAHI does not provide products or services to our franchisees in the United States. RAHI does not have any predecessors or affiliates (other than us) offering franchises. RAHI has been offering master franchises to operate businesses similar to the Franchised Businesses outside of the United States since March 2009.

The Franchised Business

Right at Home Franchised Businesses specialize in an array of services including, but not limited to, providing personal care, non-medical care, other in-home care, assistance and companionship services to and supportive care of seniors and others, and supplemental staffing services for nursing homes, hospitals, other home health agencies and other medical settings (collectively, a “**Franchised Business**”). We grant franchises for, and may periodically operate, businesses under the “Right at Home” trademark which is our principal mark; and we use a secondary mark “RAH Staffing Services” to identify our supplemental staffing services.

Each Franchised Business operates in accordance with our system (“**System**”). The distinguishing characteristics of the System include the Right at Home Confidential Operations Manual

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EXHIBITS

- A. LIST OF STATE AGENTS FOR SERVICE OF PROCESS AND STATE ADMINISTRATORS
- B. FRANCHISE AGREEMENT AND RELATED MATERIALS
 - Exhibits to Franchise Agreement:
 - A-Franchise Fee, Designated Area and Owners
 - B-Guaranty and Assumption of Obligations
 - C-Confidentiality and Non-Compete Agreement
 - D-Renewal Addendum
 - E-General Release
 - F-Multiple Unit Amendment to Primary Franchise Agreement/Multiple Unit Amendment to Secondary Franchise Agreement
- C. MULTIPLE UNIT DEVELOPMENT AGREEMENT
- D. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL
- E. FINANCIAL STATEMENTS
- F. FRANCHISEE DISCLOSURE QUESTIONNAIRE
- G. MULTI-STATE ADDENDUM
- H. LIST OF RIGHT AT HOME CURRENT FRANCHISEES
- I. LIST OF RIGHT AT HOME FRANCHISES TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS
- J. 1-FRANCHISEE ORGANIZATIONS WE HAVE CREATED, SPONSORED OR ENDORSED
2-INDEPENDENT FRANCHISEE ASSOCIATIONS
- K. RECEIPTS

("Operations Manual"); the "Right at Home" and "RAH Staffing Services" marks along with other means of identification including certain trademarks, service marks, and logos as are now designated or may be designated in the future (collectively, the "Marks"); uniform operating methods, procedures, and techniques; other confidential operations procedures; and methods and techniques for record keeping, personnel management and training, marketing and advertising, all of which we may change, improve and further develop periodically.

As described in this Franchise Disclosure Document, we offer a franchise grant for a single Franchised Business under the terms and conditions of the Franchise Agreement attached as **Exhibit B**, which will be the actual contract between you and Right at Home and which describes your rights and obligations. If you intend to develop more than one franchised business, we also offer a Multiple Unit Development Agreement in the form attached as **Exhibit C** to this Disclosure Document. (See ITEM 5).

Market and Competition

You will compete with other businesses offering similar services, some of which are part of national or regional franchised and non-franchised chains. The personal care, non-medical care, other in-home care assistance, companionship services, and supportive care will be offered primarily to seniors or other individuals. The supplemental staffing services in health care will be offered to nursing homes, hospitals, other home health agencies, and other medical settings. The market for in-home care services and for supplemental staffing services in health care is highly developed in most markets.

Industry Specific Regulations

You must comply with all federal, state and local laws and regulations that apply to your operations, including those pertaining to the health care industry, professional and facility licensing, workers' compensation, corporate, tax, environmental, sanitation, insurance, no smoking, EEOC, OSHA, non-discrimination, employment and sexual harassment laws.

You should consider the following types of regulation that may apply to the ownership and operation of your Franchised Business:

A. Licensure; Record Keeping

You must obtain and maintain any health care or employment related permits, licenses, certifications or other indications of authority necessary for the operation of your Franchised Business, including, for example, a home health agency license, nurse staffing and/or employment agency license. Some jurisdictions may also require a Certificate of Need. Some states require you to obtain a license to provide employment services. Some states have imposed a moratorium on the issuance of home health agency licenses, nurse staffing licenses, and other in-home healthcare licenses or permits. You are responsible for investigating the availability and requirements for obtaining all necessary licenses in your state.

Many states have licensing, certification or registration requirements applicable to the services you will be providing as a Right at Home franchisee. You therefore may be required to register as a home health agency, nurse staffing and/or employment agency and to comply with the screening requirements of health care workers. State licensing, certification and registration statutes may require a minimum level of education or related work experience and/or the payment of a fee in order to obtain the license.

You may also be required to have a full-time registered nurse (RN) to comply with the regulations in your state governing nursing agencies and/or home health agencies. You should inquire about any applicable laws and your corresponding obligations and cost of compliance.

Some states may also have specific record-keeping or other requirements for health care providers. You will be responsible for investigating and complying with any such laws that may apply in your territory.

B. Anti-Kickback Laws

Certain provisions of the Social Security Act, commonly referred to as the "Anti-Kickback Act," prohibit the offer, payment, solicitation or receipt of any form of remuneration either in return for the referral of patients or patient care opportunities paid in whole or in part by a federal health care program, including the VA, or in return for the recommendation, arrangement, purchase, lease or order of items or services paid in whole or in part by a federal health care program, including VA benefits. The Anti-Kickback Act is broad in scope and has been broadly interpreted by courts in many jurisdictions.

Additionally, a number of states have enacted laws which prohibit payment for referrals and other types of "kickback" arrangements. These state laws sometimes apply to all patients regardless of their insurance coverage.

C. Other Federal Regulations

There are a number of federal laws prohibiting certain activities and arrangements relating to services or items which are reimbursable by Medicare or Medicaid. While Medicare and Medicaid laws may not apply to your Franchised Businesses, these laws may apply to those facilities, including laws prohibiting Medicare- or Medicaid-participating facilities, from employing providers excluded from those programs. If a practitioner is an excluded provider from Medicare or Medicaid, he or she will be prohibited from receiving payment from that facility. It is your responsibility to determine whether and to what extent employees of your Franchised Business need to be screened for their possible excluded status in these or other payment programs.

To the extent your Franchised Business accepts reimbursement directly from the VA, it will be required to satisfy the applicable regulatory requirements the VA imposes on its vendors, including but not limited to the Federal Acquisition Regulations and various VA contract requirements. The False Claims Act imposes civil liability on persons or corporations which submit or cause to be submitted false or fraudulent claims for payment to the government. A violation of the False Claims Act may result in liability for fines, treble damages, attorneys' fees and exclusion from federal health care programs.

D. General Matters

Laws and regulations may change at any level of government that increase the scrutiny applied to medical, home care, and/or staffing agencies. As such, the costs of compliance may increase. You are responsible for keeping informed about changes in legislation that may impact the operation of your Franchised Business. We strongly urge you to consult with competent local counsel regarding all of the laws and regulations described above and others that may be applicable to you and your Franchised Business.

This does not include all laws that may apply to your Franchised Business. You should also be aware of pending legislation that may affect your Franchised Business in the future.

We have resources available as a reference to you, but you are solely responsible for investigating, understanding and complying with the laws, regulations and requirements applicable to you and your Franchised Business.

ITEM 2. BUSINESS EXPERIENCE

Chairman and Chief Executive Officer: Allen Hager

Mr. Hager is our Chairman and Chief Executive Officer and has been in this role since September 2010. He previously served as our President and on our Board of Directors since our inception in July 1999. Mr. Hager is also the President of our affiliate, Teryl Corp., a Nebraska corporation, and serves on its Board of Directors.

President and Chief Operating Officer: Brian Petranick

Mr. Petranick is our President and has been in this role since September 2010. He also serves on our Board of Directors and has done so since August 2010. He has also served as our Chief Operating Officer since January 2007. He served as our Senior Vice President of Franchise Operations from July 2004 until December 2006. Since 2006, Mr. Petranick has been an adjunct faculty member at the University of Nebraska, where he teaches classes on entrepreneurship and business development.

Senior Vice President of Franchise Development: Eric Little

Mr. Little is our Senior Vice President of Franchise Development and has been in this role since September 2008. From November 2006 to April 2008, Mr. Little served as Vice President of Franchise Development for BounceU in Mesa, Arizona. From December 2004 to September 2006, Mr. Little was the Director of Franchise Development for 1-800-WATER DAMAGE, based in Seattle, Washington.

Senior Vice President of Franchise Support: Margaret Haynes

Ms. Haynes is our Senior Vice President of Franchise Support and has been in this role since January 2011. Ms. Haynes previously served as Senior Vice President of Digital Solutions for Infogroup, located in Papillion, Nebraska, from September 2010 through December 2010. From September 1991 through December 2009, Ms. Haynes worked for First Data Corporation, located in Omaha, Nebraska, where she was the Senior Vice President of Financial Services from 2006 to 2010.

Vice President of Franchise Support: David Creal

Mr. Creal is our Vice President of Franchise Support and has been in this role since March 2007. From June 1986 to March 2007, Mr. Creal served as Operations Coordinator for Vetter Health Services, Inc., a regional provider of long-term care services, located in Omaha, Nebraska.

Vice President of Marketing: Patrick Boyd

Mr. Boyd is our Vice President of Marketing and has been in this role since September 2011. From August 2009 to September 2011, he was Senior Marketing Manager of Sergeant's Pet Products, Inc., located in Omaha, Nebraska. From June 1989 to December 2008, he served as Senior Marketing Manager of ConAgra Foods, Inc., located in Omaha, Nebraska.

Vice President of Programs and Services: Jeffrey Vavricek

Mr. Vavricek is our Vice President of Programs and Services and has been in this role since April 2010. From January 2006 until March 2009, he served as Vice President of New Product Development for HSBC, a global financial services company, with its North American headquarters located in Chicago, Illinois.

Vice President and Member of the Board: Teryl D. Oswald

Teryl D. Oswald has served on our Board of Directors and as a Vice President since our inception. She also serves on the Board of Directors of Teryl Corp. in Omaha, Nebraska.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Single Unit Franchises

The standard initial franchise fee for one Franchised Business is \$42,500 (the “**Initial Franchise Fee**”). This fee is charged for a franchise to operate from one location in an assigned specific territory that we describe as the “**Designated Area**.” The Initial Franchise Fee offsets the expenses that we incur in marketing, researching, awarding and training franchisees. When paid, the Initial Franchise Fee is fully earned by us and non-refundable. The Initial Franchise Fee is payable at the time you sign the Franchise Agreement. The Designated Area will be defined by ZIP codes and generally includes a population of approximately 15,000 – 30,000 people aged 65 and older, as more thoroughly explained in Item 12. We have historically used Claritas, Inc. for demographic information but we reserve the right to use the services of any reputable marketing information resource. Claritas, Inc. is a Delaware corporation with its principal office in San Diego, California. Claritas, Inc. provides marketing information resources.

During fiscal year 2011, the range of Initial Franchise Fees collected was between \$34,650 and \$41,500.

Except as stated above and below in connection with Multiple Unit Developers, the Initial Franchise Fee is uniform to all franchisees under this offering. You pay us no other fees or payments for services before your Franchised Business opens.

Multiple Unit Developers

At our discretion, we may offer to qualified candidates a Multiple Unit Development Agreement, attached to this Disclosure Document as **Exhibit C**, through which the multiple unit developer (“**Developer**”) obtains the right to develop and operate a prescribed number of Franchised Businesses. When you sign a Multiple Unit Development Agreement for the development of more than one but typically not more than three Franchised Businesses, we will grant you the right to develop a mutually agreed upon number of Franchised Businesses in a specified territory (“**Development Territory**”) in accordance with a specified Development Schedule.

You must pay a fee (“**Multiple Unit Development Fee**”) of \$42,500 for your first Franchised Business and \$28,500 for each additional Franchised Business that you intend to develop under the terms of the Multiple Unit Development Agreement. You must pay the Multiple Unit Development Fee in full when you sign the Multiple Unit Development Agreement. The Multiple Unit Development Fee is fully earned at the time you make the payment to us and is not refundable if you do not open any or all of your Franchised Businesses. If you pay a Multiple Unit Development Fee, you will not be required to pay an Initial Franchise Fee for each Franchised Business you open.

We calculate the Multiple Unit Development Fee uniformly for all franchisees, but the total amount you pay will depend on the number of Franchised Businesses you commit to develop. So, the Multiple Unit Development Fee may not be uniform for all franchisees.

Alternatively, in our sole discretion, we may offer to qualified candidates the right to develop and operate multiple Franchised Businesses through a different format. If you enter into a Franchise Agreement (“**Primary Franchise Agreement**”) and one or more other Franchise Agreements (each a “**Secondary Franchise Agreement**”), and the Designated Area granted to you under each Secondary Franchise Agreement is contiguous to the Designated Area granted to you under the Primary Franchise Agreement, your Premises for the operation of the Franchised Business under each Secondary Franchise Agreement may be at the same Premises used for the operation of the Franchised Business opened and being operated by you under the Primary Franchise Agreement. If we authorize you do to so, you will execute the appropriate amendments to the various Franchise Agreements provided in **Exhibit F** to the Franchise Agreement (See Item 11).

Referral Program

We have developed a referral program, detailed in the Operations Manual, which provides an incentive to our current franchisees to attract new franchisees who will contribute to the ongoing growth of our franchise system.

VetFran

To honor those men and women who have served in the U.S. military, the Veterans Transition Franchise Initiative, known as “VetFran”, was developed to help those individuals transition to civilian life. This initiative is a voluntary effort of International Franchise Association (IFA) member-companies and is designed to encourage franchise ownership by offering financial incentives to honorably discharged veterans. We offer a ten percent (10%) discount of the Initial Franchise Fee for the first Franchised Business to individuals who qualify under VetFran.

ITEM 6. OTHER FEES

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Continuing Royalty	5% of Net Billings	Payable weekly	See Definition of Net Billings. ¹
Local Advertising ²	2% of Net Billings	As incurred	Includes cost of local telephone directory and internet advertising. Payable to suppliers of advertising and internet service.
Brand Marketing and Promotion Fee ³	2% of Net Billings	Payable monthly	Because we have not established a Brand Marketing and Promotion Fund, we do not presently require contributions by you. See Item 11 and Section 9.7, Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks
Audit	Cost of audit and inspection plus interest on underpayment	On invoice	Payable if the audit shows an understatement in Net Billings of at least 2% and/or if inspection discloses Franchise operated the Franchise Business in violation of Franchise Agreement. <u>See Sections 11.3 and 11.5, Franchise Agreement.</u>
Late Fee	Up to \$250 plus the highest allowable legal rate for open account business credit, not to exceed 1.5% per month	Automatically incur after due and payable date	Applies to Weekly Reports, accounting and records, and all Royalty Fees and amounts due for purchases from us or any affiliate(s). <u>See Section 10.2, Franchise Agreement.</u>
Insurance Policies ⁴	Amount of unpaid premiums	Prior to opening your Franchised Business or commencement of any construction for leasehold improvements, you must have the issued policies	Payable to us only if you fail to maintain required insurance coverage and we elect to obtain coverage for you.
Renewal Fee	10% of the then current franchise fee at the time of the renewal for each renewal of a term approved by us	At the time of closing on the renewal	This amount is meant to offset the time and expense we will incur in handling each renewal. <u>See Sections 2.1, 2.2, and 2.3, Franchise Agreement.</u>
Transfer Fee ⁵	50% of the then-current franchise fee for a franchise at the time of the transfer or 100% of the then-current franchise fee if a Franchisee Consultant or Broker commission is payable	At the time of transfer	This transfer fee does not apply to an assignment of interest to an entity under Section 18.4.1 or an assignment to a Permitted Transferee under Section 18.7 of the Franchise Agreement. <u>See Section 18.5, Franchise Agreement.</u>

Type of Fee	Amount	Due Date	Remarks
Additional Manager Training	Current rates as published in the Operations Manual; currently, \$300 per day plus expenses	Time of additional training	We provide 10 days of training to your Operating Principal and 2 additional persons, at our cost, at our headquarters (See Item 15). You pay for costs of attending training and for additional training if you request it.
Additional Onsite Assistance	Current rates as published in Operations Manual; currently, \$300 per day per person plus expenses	Time of assistance	We provide approximately 2 days of onsite assistance within six months of the beginning of operations at our cost. You pay for additional assistance if you request it.
Continuing Education	You are required to pay your expenses as well as your employees' expenses in attending these programs	Time of educational program	Attendance will not be required more than 2 times per calendar year and will not last more than 5 days.
Cost of Enforcement or Defense	All costs including attorneys' fees	Upon settlement or conclusion of claim or action	You will reimburse us for all costs in enforcing our obligations under the Franchise Agreement if we prevail. See Section 29.4, Franchise Agreement.
Indemnification	All costs including attorneys' fees	Upon settlement or conclusion of claim or action	You will defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Business. See Section 22.3, Franchise Agreement.

Except where otherwise specified, no other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any other third party. Any fees paid to us are non-refundable unless otherwise noted.⁶

NOTES:

¹ Net Billings. The term "Net Billings," as used here and throughout this Franchise Disclosure Document, will mean and include the total of all revenues from the operation of the Franchised Business whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not

payment is received therefor) or otherwise. There will be deducted from Net Billings for purposes of said computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to clients; provided, that such taxes were separately stated when the client was charged and such taxes were paid to the appropriate taxing authority. There will be further deducted from Net Billings the amount of any documented refunds, chargebacks, credits and allowances given in good faith to clients by you, mileage expense, or any reimbursed expense. (See Section 10.1.2, Franchise Agreement)

2. Local Marketing and Sales. Each calendar month you must spend at least 2% of your Net Billings on local marketing and sales. You will make the expenditures directly, subject to our approval and direction. If requested by us, within 30 days of the end of each calendar month, you must furnish to us, in a manner we approve, an accurate accounting of your expenditures on marketing and sales for the preceding calendar month just ended. We may provide guidelines for local advertising and any deviation from the guidelines requires our prior written approval, and you will maintain a local telephone directory listing under the heading "Home Health" or another listing of the size and type that we approve, and Internet presence (Sections 9.2 and 9.3, Franchise Agreement). Also see Item 11(B)(9).

3. Brand Marketing and Promotion Fee. We reserve the right to establish a Brand Marketing and Promotion Fund to promote expansion and increase brand awareness and preference of the System. If we do, we will notify you in writing of the commencement date and the contributions required by you, which will be limited to an amount not greater than two percent (2%) of your weekly Net Billings. See Item 11(D).

4. Insurance Policies. The following is a list of the required coverages with their respective minimum limits of coverage: (See Section 14.2, Franchise Agreement)

1. Commercial Property or "Special" form coverage insurance on business property used in the operation of the Franchised Business for full repair as well as replacement value of the property, except that an appropriate deductible clause will be permitted not to exceed \$2,500.

2. Workers' Compensation and Employer's Liability insurance and, in some jurisdictions, stop gap liability (also known as Employers Contingent Liability), as well as such other insurance as may be required by statute or rule of the state and county in which the Franchised Business is located.

3. Commercial General liability insurance, including a per location aggregate including the following coverages: Medical Professional Liability or Healthcare Provider Professional Liability; broad form blanket contractual liability; personal and advertising injury; products/completed operations; medical payments and fire damage liability; insuring Franchisor on a primary and noncontributory basis and Franchisee against all claims, suits, obligations, liabilities and damages, including attorney fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, or occurring in the course of, or on or about or otherwise relating to the Franchised Business, including coverage in the following limits:

Coverage	Minimum Limits of Coverage
General Aggregate	\$3,000,000
Professional Liability	\$1,000,000
Products/Completed Operations Aggregate	\$3,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (Legal Liability)	\$50,000

Coverage	Minimum Limits of Coverage
Sexual Abuse and Molestation (each occurrence)	\$250,000
Sexual Abuse and Molestation (aggregate)	\$250,000

Should any liability policy(ies) be written on a "claims-made" basis for trigger of cover, the policy(ies) "Retroactive Date" shall at all times be the original inception date of the first claims-made liability policy acquired for insuring you or the franchisee entity. Should the claims made liability policy(ies) be replaced, full retro dated coverage is required. Should any policy(ies) be terminated or cancelled for any reason, or a "claims made" policy(ies) be rewritten to an "occurrence form" of coverage, the franchisee shall maintain at a minimum and secure one (1) additional year of "Extended Reporting Period" for claims that may not be discovered until after policy termination.

4. Business interruption extra expense insurance for actual losses sustained, for a period of indemnity not less than a six (6) month period.

5. Commercial Automobile Liability insurance including all owned, non-owned and hired vehicle coverage with a combined single limit of at least one million dollars (\$1,000,000) each accident.

6. Such additional insurance and types of coverage as may be required by the terms of any office lease for the Franchised Business, or as we may require periodically. You must name us as "Additional Insured" on a primary basis on your insurance policies for Commercial General Liability, Medical Professional Liability, and Auto Liability, and provide us or our third party representative with an ACORD Form Certificate of Insurance for each policy prior to the commencement of operations of your Franchised Business. The coverages described in this Item 6 must be in full force and effect throughout the term of the Franchise Agreement. You should expect to incur the same fees for each Franchised Business. No other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any third party. Any fees paid to us are non-refundable. Fees payable to third parties are refundable based on your agreement with those third parties.

7. Crime-Fidelity Employee Dishonesty coverage with Third Party Crime endorsement added. Limit of insurance shall be in a minimum amount not less than \$25,000 and a deductible per claim of not more than \$1,000.00.

5. Transfer Fee. As a franchisee, you have certain rights under the Franchise Agreement to resell the Franchised Business. In the event you sell your Franchised Business, you will pay an increased transfer fee to compensate us for our costs to process the sale.

6. Continuing Education. As a franchisee you will have the opportunity to attend the Right at Home annual meeting held each fall, where you can participate in various sessions that offer insight and learning opportunities to help you run your Franchised Business. The fee for the annual meeting is set several months prior to the meeting and we do not currently expect it to exceed \$500 per attendee but it may exceed that amount in the future. As a franchisee, you may also have the opportunity to participate in facilitated performance groups that focus on your business performance. Currently we do not expect the annual participation fee in a performance group to exceed \$2,500 per franchise agreement but it may exceed that amount in the future.

7. Range or Formula of Fees/Expenses. The ranges and categories of fees/expenses listed on the table above are based solely on the experience of franchisor to date and your expenses may be significantly different depending on the suppliers you use and local costs. You should not rely on this estimate of fees/expenses to project your future performance because your fees/expenses may differ from

the ranges above and you will have additional expenses which may not be listed. The coverages set forth in this Federal Disclosure Document are the recommended minimums, but they may not be adequate for all losses of every type and size. We encourage you to make decisions with the advice of your insurance consultant and legal counsel. See Items 7 and 8 that follow for additional information.

ITEM 7. ESTIMATED INITIAL INVESTMENT

We anticipate that you will incur the following estimated initial expenditures in the establishment of a Franchised Business.

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee ¹	\$42,500	Cashier's or Personal Check	Upon Signing Franchise Agreement	Us
Real Estate/Rent ²	\$1,950-\$4,950	As Arranged	As Arranged	Landlord
Rent Deposits ³	\$0-\$1,000	As Arranged	As Arranged	Landlord
Leasehold Improvements ⁴	\$0-\$3,300	As Arranged	As Arranged	Landlord, Approved Suppliers
Insurance ⁵	\$2,000-\$3,500	As Arranged	As Arranged	Insurance Carrier
Furniture and Fixtures ⁶	\$2,000-\$5,000	As Arranged	As Arranged	Approved Suppliers
Computer Hardware and Software ⁷	\$2,400-\$5,350	As Arranged	As Arranged	Approved Suppliers
Other Office Equipment and Supplies ⁸	\$800-\$1,300	As Arranged	As Arranged	Approved Suppliers
Training ⁹	\$2,550-\$5,600	As Incurred	As Incurred	Transportation Lines, Hotels and Restaurants
Initial Opening Marketing ¹⁰	\$300-\$1,350	As Arranged	As Arranged	Us, Approved Suppliers
Permits ¹¹	\$200-\$1,500	As Arranged	As Arranged	Licensing Authority
Professional Fees ¹²	\$200-\$3,050	As Arranged	As Arranged	Licensing Authority
Signage ¹³	\$0-\$1,200	As Arranged	As Arranged	Approved Suppliers
Additional Funds (3 months) ¹⁴	\$10,000-\$30,000	As Arranged	As Necessary	You Determine
TOTAL¹⁵	\$64,900-\$111,600			

All fees paid to us or our Affiliates are non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on your vendors and suppliers.

NOTES:

¹ Initial Franchise Fee. The Initial Franchise Fee is described in greater detail in Item 5 of this Franchise Disclosure Document. If you enter into a Multiple Unit Development Agreement with us to develop more than one Franchised Business, you must pay to us, upon execution of the Multiple Unit Development Agreement, a Multiple Unit Development Fee of \$42,500 for your first Franchised Business plus \$28,500 for each additional Franchised Business to be developed under the Multiple Unit Development Agreement. If you are a veteran of the U.S. military, please see Item 5 for information on the Veterans Transition Franchise Initiative, known as "VetFran."

² Real Property. You must provide a location other than a personal residence from which to operate the Franchised Business, and the open office must exist solely and exclusively for the operation of the Franchised Business. Normally, space is obtained on a leasehold basis. The floor area recommended for the Franchised Business is approximately 600 to 800 square feet. The estimate for rental property represents a high-end annual lease rate of \$20 per square foot for 800 square feet of space. The low-end estimate represents an annual lease rate of \$10 per square foot for 600 square feet of space. Additionally, there may be lease acquisition costs in the nature of deposits. It is extremely difficult to estimate lease acquisition costs because of the wide variation in these costs among various locations. We will not assist in financing this expenditure.

³ Rent Deposits. A rent deposit may be required by your landlord.

⁴ Leasehold Improvements. Minimal leasehold improvements are generally required before operation. These costs again vary based on the size of the business and requirements of a particular landlord, depending upon whether or not the improvements are capitalized as part of the lease.

⁵ Insurance. Requirements are described in greater detail in Item 6 of this Franchise Disclosure Document. This estimate is for estimated first year premiums of all insurance except office contents and workers' compensation insurance which vary by location.

⁶ Furniture and Fixtures. The range represents the approximate costs associated with acquiring the furniture, including desks, chairs, shelves and phone system.

⁷ Computer Hardware and Software. The range represents the approximate costs associated with acquiring the Franchisor required computer hardware and software.

⁸ Other Office Equipment and Supplies. The range represents the approximate costs associated with acquiring basic office supplies and fax/copy machine.

⁹ Training. You are responsible for arranging transportation and paying the expenses for meals and lodging for any persons attending our training program. The amount expended will depend on the distance you must travel and the type of accommodations you choose. The low estimate contemplates attendance by one person traveling to our headquarters in Omaha, Nebraska or other designated location for approximately 12 days. The high estimate contemplates attendance by two people traveling to our headquarters or other designated location for approximately 12 days.

¹⁰ Initial Opening Marketing. The range represents the approximate costs associated with promoting the opening of your location.

¹¹ Permits. State and local government licensing and registration fees vary considerably from state to state and you must check into and verify the amount of the fees.

¹² Professional Fees. This range represents the approximate costs associated with attorney and CPA fees.

¹³ Signage. This range includes the cost of all requisite signage used in the Franchised Business.

¹⁴ Additional Funds. Such amounts are the minimum recommended levels to cover operating expenses, including employees' salaries for 3 months. However, we cannot guarantee that such an amount will be sufficient. The amounts do not include money for Franchise owner's compensation. Additional working capital may be required if sales are high or fixed costs are high. The disclosure laws require us to include this estimate of all costs and expenses to operate a franchise during the "initial phase" of your business, which is defined, for purposes of this Section, as 3 months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period" for the industry, so the disclosures cover a 3-month period.

¹⁵ Total Investment. In compiling this list of expenditures, we relied on our and Teryl Corp.'s experience in a business similar to the Franchised Business. The amounts shown are estimates only and may vary for many reasons including the size of a Franchised Business, the capabilities of your management team, where you locate your Franchised Business, and your business experience and acumen. For planning purposes, please note that most costs and expenses listed in this Item 7 are not within our control and are affected more by general economic conditions than our actions. This does not include any personal living expenses, Franchise owner compensation, Royalty Fees, or company-wide brand marketing and promotion fund contributions, if and when required. You should review these estimates carefully with a business advisor or accountant before making any decision to buy a franchise. We do not offer direct financing to you for any item. All or part of your investment may be financed by a bank or other lending institution on terms we cannot estimate. Once you sign the Franchise Agreement, no payment you make to us is refundable.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Supplies and Suppliers

You must operate the Franchised Business according to our System standards. System standards include the matters in the Operations Manual and they may regulate among other things, the types, models and brands of required equipment, signs, stationery, promotional materials and other items necessary to operate the Franchised Business. From time to time, we may provide you a list of approved manufacturers, suppliers and distributors authorized to supply items or services used to operate the Franchised Business ("**Approved Suppliers List**") and a list of approved products, materials, equipment, signs, stationery, supplies and other items or services necessary to operate the Franchised Business or offer for sale to clients of a Franchised Business ("**Approved Supplies List**"). You must purchase, sell and use only those suppliers and supplies that are listed on the Approved Suppliers List or Approved Supplies List. We do not have an affiliate that is a supplier of products or services to us or any franchisee. Currently neither we nor any of our affiliates are approved suppliers or the only approved suppliers of any good or service. Neither we nor any of our officers or principals owns an interest in any of our Approved Suppliers.

Any item used in the Franchised Business which is not specifically required to be purchased in accordance with the Approved Suppliers List or the Approved Supplies List will conform to our established standards and specifications.

We apply the following general criteria in approving a proposed supplier:

1. Ability to provide sufficient quantity of product;
2. Quality of products and/or services at competitive prices;
3. Production and delivery capability; and
4. Dependability and general reputation.

We may revoke approval of a supplier if a supplier no longer meets these general criteria. You will receive notice of our approval or disapproval of a proposed supplier within 30 days of our receipt of all pertinent information.

If you would like to offer for sale to clients of the Franchised Business or use to operate the Franchised Business any product, material, equipment or supply or purchase any products from a supplier not on either of these lists, you must obtain our prior written approval. In that case, you must notify us and submit to us all information, specifications and samples that we may request regarding a supplier, service or product proposed by you. We may require that our representatives be permitted to inspect the proposed supplier's facilities and that samples from the proposed supplier be delivered to us for evaluation and testing. We have the absolute right to determine whether such supplier's goods or products meet the System standards and our specifications, and may approve or disapprove any proposed supplier. We have the right to charge you a fee of \$100 per hour for our time, plus all out-of-pocket cost we incur, in evaluating any proposed product, service, or suppliers, together with any out-of-pocket expenses, including all travel and lodging expenses for our personnel or any third party we determine is necessary to evaluate your proposed product, service, or supplier. We will typically provide response to such written request within 30 days from the date we receive your written request and the necessary items we require for review. Although products, services or suppliers may be approved by us, we and our affiliates expressly disclaim all warranties, including warranties of merchantability and fitness for any particular purpose, with respect to products, services, fixtures, furniture (including without limitation any required computer systems), signs, stationary, supplies or other approved items sold to or provided to you by us or any third-party, including any Approved Supplier. We reserve the right to designate exclusive suppliers, the right to designate us or our affiliate(s) as an approved or exclusive supplier, and the right to earn fees on Franchisee purchases from suppliers.

Standards and Specifications

In addition to using services and products which are required to be purchased from Approved Suppliers or must be Approved Supplies, you may be obligated to purchase items that meet our minimum guidelines, standards and specifications. Our guidelines, standards and specifications may impose minimum requirements for quality, uniformity, design and appearance. Those will be communicated to you in our Operations Manual or other communication used in our System. Presently we have established guidelines, standards and specifications for all advertising, promotion and logo use. You must adhere to our guidelines, standards and specifications for content, size, color paper stock and typeface. All advertisements are subject to our approval or disapproval and we must be given 20 business days to review your advertisements. If we or our designated agent fails to respond to you in 20 business days, then such advertisements will be deemed to be disapproved by us. In addition, your insurance policy

must meet our minimum specifications as prescribed in Item 6. We will also provide you with an array of operating forms and other supplies which you will reproduce and must use in the operation of your Franchised Business.

Computer Hardware and Software

You are required to purchase and utilize computer hardware and software as more fully described in Item 11 of this Franchise Disclosure Document.

Miscellaneous

There are currently no purchasing or distribution cooperatives. We may negotiate discounted group rates, as we deem appropriate, for purchases of office supplies, printing, and other items necessary for the operation of the Franchised Business. We currently have supply purchase agreements in effect for items including office supplies, insurance, payroll services, background checks, answering services, printing, and training.

We receive no revenue or other material consideration from any suppliers as a result of purchases by you or other franchisees. While we intend to pass through to our franchisees all revenue received from suppliers, we retain the right to offset administrative costs incurred by us because of franchisee purchases.

We estimate that approximately 15% to 25% of your expenditures for leases (excluding real estate) and purchases in establishing your Franchised Business and less than 25% of your expenditures on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which supplies we must approve, or which must meet our standards or specifications).

For our fiscal year ended December 31, 2011, we did not receive any revenues from franchisees for purchases of services and products from franchisor. We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional businesses) based on whether or not you purchase through the sources we designate or approve; however, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

ITEM 9. FRANCHISEE'S OBLIGATIONS

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
a.	Site selection and acquisition/lease	Section 3	Item 12
b.	Pre-opening purchase/leases	Sections 3 and 7	Items 7 and 8
c.	Site development and other pre-opening requirements	Sections 3 and 4	Items 6, 7 and 11

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
d.	Initial and ongoing training	Section 4	Items 6 and 11
e.	Opening	Sections 4, 7, and 12	Item 11
f.	Fees	Sections 1, 2, 9, 10, 11, 12, 14, 16, 17, 18, and 21	Items 5, 6 and 7
g.	Compliance with standards and policies/operating manual	Sections 6, 7, 11, 12, 13, 15, and 22	Item 8
h.	Trademarks and proprietary information	Sections 5, 6, 7, 9, and 12	Items 13 and 14
i.	Restrictions on products/services offered	Sections 7 and 12	Items 8 and 16
j.	Warranty and customer service requirements	Section 7	N/A
k.	Territorial development and sales quotas	Sections 1 and 12	Item 12
l.	Ongoing product/service purchases	Section 12	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	Sections 3, 7, 12, and 16	Items 6 and 17
n.	Insurance	Section 14	Items 6, 7 and 8
o.	Advertising	Section 9	Items 6 and 11
p.	Indemnification	Section 22	Item 6
q.	Owner's participation/management/staffing	Sections 4, 12, and 15	Item 15
r.	Records and reports	Section 11	Items 8 and 11
s.	Inspections and audits	Sections 5 and 11	Items 6, 11 and 13
t.	Transfer	Sections 18, 19, and 20	Items 6 and 17
u.	Renewal	Section 2	Item 17
v.	Post-termination obligations	Section 17	Item 17
w.	Non-competition covenants	Sections 7 and 15	Item 17
x.	Dispute resolution	Sections 29 and 30	Item 17
y.	Licenses	Section 12	Item 7

MULTIPLE UNIT DEVELOPMENT AGREEMENT

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
a.	Site selection and acquisition/lease	Section 3	Exhibit C

	Obligation	Section in the Agreement	Item in the Franchise Disclosure Document
b.	Pre-opening purchase/leases	Not applicable	Exhibit C
c.	Site development and other pre-opening requirements	Section 3	Exhibit C
d.	Initial and ongoing training	Section 5.6	Exhibit C
e.	Opening	Not applicable	Exhibit C
f.	Fees	Sections 2 and 7.2.2(i)	Item 5; Item 7; Exhibit C
g.	Compliance with standards and policies/operating manual	Not applicable	Exhibit C
h.	Trademarks and proprietary information	Not applicable	Exhibit C
i.	Restrictions on products/services offered	Not applicable	Exhibit C
j.	Warranty and customer service requirements	Not applicable	Exhibit C
k.	Territorial development and sales quotas	Section 3	Exhibit C
l.	Ongoing product/service purchases	Not applicable	Exhibit C
m.	Maintenance, appearance and remodeling requirements	Not applicable	Exhibit C
n.	Insurance	Not applicable	Exhibit C
o.	Advertising	Not applicable	Exhibit C
p.	Indemnification	Section 9	Exhibit C
q.	Owner's participation/management/staffing	Sections 1.2 and 8.1	Exhibit C
r.	Records and reports	Not applicable	Exhibit C
s.	Inspections and audits	Not applicable	Exhibit C
t.	Transfer	Section 7	Exhibit C
u.	Renewal	Not applicable	Exhibit C
v.	Post-termination obligations	Sections 8.3 and 9.4	Exhibit C
w.	Non-competition covenants	Section 8.3	Exhibit C
x.	Dispute resolution	Section 14	Exhibit C
y.	Licenses	Not applicable	Item 7

ITEM 10. FINANCING

We will not offer, directly or indirectly, any arrangements for financing your initial obligations, investment or other aspects of the Franchised Business. We are unable to estimate whether you will be able to obtain financing for all or any part of your investment, and if you are able to obtain financing, we cannot predict the terms of such financing. We will not receive payment or other consideration from any

person or persons for placing your financing with a lender. We will not guarantee your indebtedness, lease or other obligations.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

A. Our Obligations Before the Franchised Business Opens:

Before you have an "open office" (See Section 12.2) we will:

1. Provide you with general advice on locating and leasing appropriate office space to operate your Franchised Business. You select your site although it must be within your Designated Area and we must approve the location you propose to use. (See Section 3) Generally, we will not own the Premises and lease it to you.

2. Provide your Operating Principal (See Item 15) and up to two other persons with phase one of our training course. The training will be offered in Omaha, Nebraska at our headquarters or another site we designate. It will consist of approximately 10 days of training as more fully explained below. The program is generally offered 8 to 10 times per year. (See Section 4)

3. Loan to you one copy of the Operations Manual or provide you with password protected electronic access to the Operations Manual. The Table of Contents of the Operations Manual, including pages devoted to each subject, is attached to this Franchise Disclosure Document as Exhibit D. (See Section 6)

4. Provide you with demographic statistics relating to your Designated Area. The statistics will include an approximation of the number of persons age 65 and older in your Designated Area. (See Section 3.2)

5. Give you a list of pre-opening and pre-training activities to accomplish prior to the opening of your Franchised Business. (See Section 4)

6. Provide you with various software templates for the operation of your Franchised Business. (See Sections 11.4 and 12.4)

7. If you execute a Multiple Unit Development Agreement, we grant to you the Development Territory within which you may develop a specified number of Franchised Businesses. (See Section 1.1, Multiple Unit Development Agreement).

B. Our Obligations During the Operation of the Franchised Business:

1. Provide a minimum of one on-site visit at your franchise open office within six months of commencement of operations, such visit lasting approximately two days. (See Section 4)

2. Make available to you phone and/or e-mail support during our normal business hours for franchise operations questions and general advice. (See Section 13)

3. Host a web site for our franchisees that will include 3 to 4 content pages of our design of information to promote your Franchised Business. (See Section 13.2.6)

4. Provide to you, from time to time, as we, in our sole discretion, deem appropriate, advice and written materials concerning techniques of managing and operating your Franchised Business, including camera-ready artwork for advertising, forms and promotional materials including, stationery, brochures and business cards, which are designed to enhance the quality and effectiveness of your Franchised Business. (See Section 13)

5. Assist you with the selection of a vendor to undertake background searches on employees. You are required to check the background of all employees prior to employment according to standards provided in the Operations Manual. (See Section 12.10) We will not take part in the approval of your hiring of employees.

6. We may, in our discretion, update the Approved Supplies List and Approved Suppliers List from time to time, as necessary. (See Section 12.6)

7. We may change or modify the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new computer programs and systems, new types of inventory, supplies, merchandise and products, new equipment or new techniques. (See Section 8)

8. We will approve or disapprove within 20 business days of receipt any advertising or promotion which you wish to use which has not been previously approved by us. If we or our designated agent fails to respond to you in 20 business days, then the advertisement or promotion will be deemed to be disapproved by us. While we permit you to use your own advertising materials, we must approve it prior to use by you. (See Section 9.1)

C. Our Obligations During the Multiple Unit Development Agreement

A Developer signs the Franchise Agreement for the first Franchised Business to be developed in the Development Schedule at the time the Multiple Unit Development Agreement is signed. Our obligations under the Franchise Agreement apply to a Developer. Each time a Developer signs another Franchise Agreement, our obligations are activated for the new Franchised Business to be established. Additionally, in connection with the Multiple Unit Development Agreement, we will review your detailed business plan for each Franchised Business, which will include your financial statements, projected profits and losses for the applicable Franchised Business, an operations timeline for securing a lease, hiring employees, and developing business, and any other information that we request in connection with your opening and operating of the Franchised Business. We will approve or disapprove of the detailed business plan provided by you no later than three (3) months prior to the applicable Projected Opening Date for each Franchised Business (See Section 3.4, Multiple Unit Development Agreement). Alternatively, if you enter into a Secondary Franchise Agreement upon executing your Primary Franchise Agreement (See Item 5), our obligations to you are the same for each Franchised Business to be established.

D. Advertising Programs:

Local Advertising. Each month you are required to spend at least two percent (2%) of your Net Billings on local marketing, sales and promotion, other promotional materials. You will use your best efforts to confine the use of all promotional materials to your Designated Area, except as may be authorized by written communication from us. We reserve the right to withdraw approval of your use of any promotional materials at any location outside of your Designated Area for any reason by sending written notice to you, but not limited to, when such area is included in the designated area of another franchisee. These expenditures will be made directly by you. We may provide guidelines for conducting

local marketing and promotional programs, and any proposed deviations from such guidelines will be approved by us in writing prior to use. You do not have the right to use other channels of distribution, such as the Internet, telemarketing or other direct marketing to make sales outside of your Designated Area. Within thirty (30) days after the end of each calendar month, you will furnish to us, in a manner approved by us, an accurate accounting of your expenditures on local marketing, sales and promotion for the preceding calendar month just ended.

Brand Marketing and Promotion Fee. We reserve the right to establish a brand marketing and promotion fund to promote expansion and increase brand awareness and preference of the System ("**Brand Marketing and Promotion Fund**"). When we decide to implement the Brand Marketing and Promotion Fund, we will notify you in writing of the commencement date and the contributions required by you. Contributions by you will be limited to an amount not greater than two percent (2%) of your weekly Net Billings ("**Brand Marketing and Promotion Fee**") on the first \$3,000,000 of Net Billings each calendar year. The Brand Marketing and Promotion Fees will be paid weekly at the same time and in the same manner as the Royalty Fee or as otherwise prescribed in the Operations Manual until the maximum amount that you are obligated to contribute has been paid in each calendar year. All franchisees will be required to contribute to the Brand Marketing and Promotion Fund on the same basis; provided, however, some franchisees may not be obligated to do so under their current franchise agreements. The Brand Marketing and Promotion Fees will be paid directly into the Brand Marketing and Promotion Fund and will be used by us to develop and implement programs to promote expansion and increase awareness and preference of the Right at Home brand. In the event that the Brand Marketing and Promotion Fee requires a contribution by you of less than two percent (2%) of weekly Net Billings, we reserve the right to modify or increase the Brand Marketing and Promotion Fee, with input and advice from the Brand Marketing and Promotion Council (as defined below); provided, that the contribution will not exceed two percent (2%) of your weekly Net Billings on the first \$3,000,000 of Net Billings each calendar year. We will hold the Brand Marketing and Promotion Fund contributions in a separate account to be expended only as described below. The Brand Marketing and Promotion Fund will not be commingled with our funds or considered to be income of ours; but, will be held in the separate account to be expended as set forth in the Franchise Agreement. Any business operated by us or our Affiliates under the same Marks as the Franchised Business will contribute to the Brand Marketing and Promotion Fund on the same basis as franchisees. We reserve the right to terminate or suspend the Brand Marketing and Promotion Fund and payment of the Brand Marketing and Promotion Fee at any time, but we will seek the advice of the Brand Marketing and Promotion Council prior to doing so. If we terminate the Brand Marketing and Promotion Fund, any unused Brand Marketing and Promotion Fees in the Brand Marketing and Promotion Fund will be paid back to all franchisees in the System in proportion to their contributions to the Brand Marketing and Promotion Fund during the preceding 12 months.

The Brand Marketing and Promotion Fund will be used for the following:

- The development of programs and materials to build brand awareness and preference with referral sources, consumers, insurance companies or related businesses, health care providers, facilities, social service organizations and others at the local, regional, and/or national level.
- Local, regional, or national advertising, promotions, marketing, public relations, and/or direct sales including print, social media, Internet or web based, direct mail, radio or television; development and maintenance of any Internet and/or e-commerce programs; Internet promotions and on-line marketing activities, and related expenses.

- The creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements; market research and research agency fees; administering local, regional, or national advertising programs, direct mail, promotions, public relations, Internet/e-commerce, social media, and other media advertising.
- The attendance or participation in local, regional, or national tradeshows, conferences, exhibitions where promoting the brand would be appropriate; affiliate with national/community organizations to leverage the brand.
- Developing and administering sales, marketing, and/or public relations training or support programs for franchisees utilizing employees or third parties to develop, administer, or conduct the training or support programs.

We may engage a third party agency or agencies to assist us with these initiatives in addition to our own in-house efforts. We cannot use the Brand Marketing and Promotion Fund for communications or materials primarily geared towards franchise sales or solicitations. Any expenditures from the Brand Marketing and Promotion Fund may or may not be proportionate to contributions made by you or provide a direct or any benefit to you. We, with input and advice from the Brand Marketing and Promotion Council, have the right to direct expenditures from the Brand Marketing and Promotion Fund for the purposes described above. Subject to these foregoing limitations, we may accumulate these funds, and the balance may be carried over to subsequent years and used for the purposes stated in the Franchise Agreement. If the Brand Marketing and Promotion Fund needs additional funds at any time to pay for expenditures, with input and advice from the Brand Marketing and Promotion Council, we may loan such funds to the Brand Marketing and Promotion Fund at an interest rate not to exceed five percent (5%) per annum and with repayment terms that will not unreasonably burden the Brand Marketing and Promotion Fund or prevent it from performing its obligations. We may also utilize the Brand Marketing and Promotion Fund to reimburse us for administrative expenses incurred in administering the Brand Marketing and Promotion Fund and the Brand Marketing and Promotion Council. An unaudited annual financial statement and report of the Brand Marketing and Promotion Fund will be prepared and delivered to the Brand Marketing and Promotion Council members and all franchisees participating in the Brand Marketing and Promotion Fund within 120 days after the end of our fiscal year. The report will show the total Brand Marketing and Promotion Fees collected and expenditures from the Brand Marketing and Promotion Fund during the previous fiscal year. We reserve the right to change the name of the Brand Marketing and Promotion Fund from time to time.

Prior to requiring that any Brand Marketing and Promotion Fees be paid by you to the Brand Marketing and Promotion Fund, we will establish a committee composed of franchisees and members of our staff ("**Brand Marketing and Promotion Council**"). The initial Brand Marketing and Promotion Council will consist of not less than seven (7) members, at least four (4) of which must be franchisees, and will be appointed by us. Members of the Franchisee Advisory Council may also serve as members of the Brand Marketing and Promotion Council. Within one (1) year after the Brand Marketing and Promotion Fund is established, by-laws for the operation of the Brand Marketing and Promotion Council will be prepared by the initial Brand Marketing and Promotion Council and elections will be held to determine the franchisee members of the Brand Marketing and Promotion Council. Each franchisee member of the Brand Marketing and Promotion Council may serve for terms that will be not less than two (2) years each and may serve up to two (2) consecutive terms.

Upon establishment of the Brand Marketing and Promotion Fund and during such time that Brand Marketing and Promotion Fees are required to be paid by you, if the Brand Marketing and Promotion Fee is greater than one percent (1%) of weekly Net Billings, then your local marketing, sales and promotion

expenditures pursuant to Section 9.2 of the Franchise Agreement will reduce so that your required total combined monthly expenditures on local marketing, sales and promotion, other Promotional Materials pursuant to Section 9.2 of the Franchise Agreement and Brand Marketing and Promotion Fee payments will not exceed three percent (3%) of your Net Billings.

E. Computer System:

We have the right, under the Franchise Agreement, to require you to purchase and use any and all computer software programs which we may develop and/or designate for use in or by the System, and to purchase all computer hardware which we deem necessary for the efficient operation of the software. The approximate costs associated with acquiring the required computer hardware and software range from \$3,800 to \$6,500.

To operate your business, you will need a minimum of two desktop computers, in which one must remain in the office to house the required databases, a laser or deskjet printer, and certain required software programs. The minimum required specifications include:

Computer for Housing Databases:

- Multi Core PC with 2.0 GHz or higher processor clock speed
- 4 GB of Ram or higher
- 10 GB minimum of available hard disk space
- CD-ROM or DVD drive
- Keyboard and Mouse device
- 10/100/1000 Network Adapter
- Microsoft .NET Framework 3.5 SP1
- High speed internet access

Minimum of One Workstation or Laptop:

- PC with 1.2 GHz or higher processor clock speed
- 2 GB of Ram or higher (4 GB recommended)
- 10 GB of available hard disk space
- CD-ROM or DVD drive
- Suggested screen resolution of 1920 x 1080 for a workstation (minimum required resolution of 1024 x 768) and screen resolution of 1600 x 900 for a laptop (minimum required of 1024 x 600)
- Keyboard and Mouse device
- Sound card and speakers
- 10/100/1000 Network Adapter
- Microsoft .NET Framework 3.5 SP1
- High speed Internet access

Supporting Operating Systems

- Windows 7 – Professional or Ultimate
- Windows Vista – Business or Ultimate
- Windows XP Professional
- Windows 2008 server – all editions
- HomeTrak Companion Scheduling including telephoning functionality
- Microsoft Office Professional 2010 or higher
- Intuit Quick Books Pro 2011 or newer
 - Antivirus, spyware and firewall protection;

- Hardware and/or software to adequately backup your computers and databases; and
- Any other type of data security required by law

You may obtain all hardware meeting our specifications from any authorized reseller. We will provide you with certain proprietary templates used in conjunction with the software. We have the right to independently access and/or copy all information collected or compiled by or in accordance with your use of the software.

You must update or upgrade computer hardware components and/or software as we feel necessary but not more than one time per year. The approximate cost of maintenance for the required computer hardware and software ranges from \$100 to \$1,000 per year.

F. Methods Used to Select the Location of the Franchised Business:

We will use reasonable efforts to help you analyze your market area, determine site feasibility and to assist you in the designation of the franchise location; however, it is your sole responsibility to undertake site selection activities and otherwise secure premises for the Franchised Business.

You must operate the Franchised Business from a conventional office located outside of any personal residence, the office must be located within your designated territory, and the open office must exist solely and exclusively for the operation of the Franchised Business (“Premises”). The Premises is subject to our approval, and such approval indicates only that we believe the office falls within the acceptable criteria we have established as of the approval date. Based on the requirements of the Franchise Agreement, the factors we consider for such approval are whether the Premises is located in your Designated Area, if it is located in a conventional office located outside of any personal residence, if it is used solely and exclusively for the operation of the Franchised Business. Other than these factors, we do not consider any other factors when granting approval of the Premises. We do not: (i) select your office location, (ii) assist you in conforming it to local ordinances and building codes, (iii) assist you with constructing or decorating it, or (iv) provide for necessary equipment, signs or fixture.

G. Average Length of Time Before Operation:

The average length of time between the signing of the Franchise Agreement and the opening of your Franchised Business is approximately 94 days. Factors that may affect the time period for such things are obtaining any necessary licenses to operate your Franchised Business (such time may vary considerably among states); obtaining a lease, financing, or building permits; zoning and local ordinances; or delayed installation of equipment, fixtures, signs, etc., together with the variance in performance among franchisees.

It is your obligation to locate a site for your office and to provide us with all necessary information in accordance with the timing requirements established in the Franchise Agreement so that we may approve your Premises in time for you to open your Franchised Business in accordance with the requirements established in the Franchise Agreement. Specifically, if you do so, we will approve your Premises in time for you to open your Franchised Business and have an “open office” not later than the earlier to occur of six (6) months after signing the Franchise Agreement, unless otherwise agreed upon in writing by us or due to licensing requirements imposed by applicable law in the Designated Area. If the Premises is for your second or subsequent Franchised Business to be opened pursuant to a Multiple Unit Development Agreement, we will approve your Premises on the date contemporaneously with the signing of the Multiple Unit Development Agreement or within thirty (30) days after signing the Franchise Agreement. If the Premises is for your second or subsequent Franchised Business pursuant to a Secondary Franchise Agreement, we will have approved your Premises on the date contemporaneously

with the signing of the Primary Franchise Agreement. If you fail to provide us with all such necessary information in accordance with the timing requirements established in the Franchise Agreement, your failure to do so will be a default of the Franchise Agreement and we may, in addition to all other remedies provided for under the Franchise Agreement, terminate the Franchise Agreement. An open office is defined as (i) a Premises, and (ii) such Premises will at all times have at least two full-time equivalent staff members, one of whom may be the Operating Principal and one of whom must have the authority to hire and manage employees and actively market and sell the services and products, materials and equipment of the Franchised Business, and (iii) such Premises continuously provides and supervises home care and/or staffing services, and (iv) such Premises produces and delivers all of Weekly Reports and others required under the Franchise Agreement. Within the context of a Franchised Business that is re-sold, an open office is defined as the date on which the Franchised Business's office was originally opened.

H. Training:

We will train your Operating Principal (See Item 15) and up to two other persons, one of whom may be another owner or your office manager, for approximately 10 days as described below and commonly referenced to as our phase one training. Each person attending the training program on your behalf must complete phase one of the training program successfully. Phase one training will occur in Omaha, Nebraska at our headquarters or another site we designate after you sign the Franchise Agreement and must be successfully completed at least 30 days before you begin operating your Franchised Business and before you may have an open office. We expect to conduct phase one training approximately 8 to 10 times per year. Although we charge no tuition for phase one of the training program, you must pay all travel and living expenses for you and your personnel. Also see Item 15.

The instructional materials consist of our Operations Manual, DVDs, checklist, demonstrations, practice and quizzes. The subjects covered in phase one training are described below:

**TRAINING PROGRAM
(Phase One)**

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Week 1 Schedule and Topics			
Healthcare System Overview	7		Omaha, Nebraska
Overview of Healthcare Industry			
Healthcare Delivery Systems			
Levels of Home Care Services			
Competitive Landscape			
Right at Home Services and Delivery	7		Omaha, Nebraska
Goals of Right at Home Services			
ADL's and IADL's			
Delivery Types: live-ins, 24-HR, Visits, Couples Care, Overnights			
Legal issues in service delivery			

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Detailed explanation of levels of Right at Home services			
Effective Selling of Home Care Services	16		Omaha, Nebraska
Understanding the sales cycle			
Making the most of the sales meeting			
Understanding our Value Proposition			
Sales Targets			
Role Playing			
Prioritizing sales contacts			
Service Inquiry Management Process	8		Omaha, Nebraska
How to connect with customers			
Assess a customer's situation and position services to meet their needs			
Resolving a customer's concerns			
How to execute a plan for services and confirm a sale			
TOTAL WEEK 1	38		
Week 2 Schedule and Topics			
Recruitment	2		Omaha, Nebraska
Connecting with potential caregivers and office staff			
Time management – interviews and orientations			
Hiring Process	5		Omaha, Nebraska
Accepting and processing applications			
Orientating a care provider to working for Right at Home			
Managing the process			
Software to Manage Process	2		Omaha, Nebraska
Using HomeTrak to enter new employees			
Using HomeTrak to enter prospective clients			
Scheduling Overview	1		Omaha, Nebraska
Matching clients and caregivers			
Discuss scheduling priorities and options			
Software to Manage Process	2		Omaha, Nebraska
Entering clients into HomeTrak			

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Entering schedules into HomeTrak			
Managing Cases and Field Staff	3		Omaha, Nebraska
Quality assurance			
Managing the employee and client			
Communicating effectively			
Payroll and Billing Procedures	4		Omaha, Nebraska
How to use HomeTrak and QuickBooks for Payroll			
How to use HomeTrak and QuickBooks for Billing			
Introduce ADP to owners and procedures for enrollment			
Discuss HomeTrak Agreement and give out contracts			
Resources for the Franchisee	6		Omaha, Nebraska
Tools available for the Right at Home Franchise Owner			
Standards and Quality/Software to Manage Process	2		Omaha, Nebraska
Using a contact manager to track sales leads/notes			
Using a contact manager to generate letters, etc.			
Financial Management	2		Omaha, Nebraska
Managing the financial side of the business			
Pricing Strategies			
Franchise Reporting			
Financial Management	3		Omaha, Nebraska
Understanding the income statement			
Pay and bill rate analysis			
Cost Volume Profit Analysis			
Post-Training Action Plan	6		Omaha, Nebraska
Focusing on getting your office open and operational			
Final sales presentation			
TOTAL WEEK 2	38		

Phase two of the training program occurs within 6 months after you have begun operating your Franchised Business. Phase two training will occur at the office that you use exclusively for the operation of your Franchised Business or another site we designate. At our expense, we will furnish to you one of our representatives for approximately 2 days for the purpose of facilitating the early stages of your

Franchised Business. During this period, our representative will assist you in establishing and standardizing procedures and techniques essential to the operation of your Franchised Business. Our representative will also assist in training your personnel. If you request additional assistance from us in order to facilitate the early stages of your Franchised Business, or if we deem it necessary to provide such additional assistance to you, you will reimburse us for the expense that we incur in providing such additional assistance to you at the then-current rate as published in the Operations Manual, plus expenses.

Michelle Koester will oversee all training for franchisees utilizing various Right at Home staff members. Ms. Koester is our Director of Training and has been in this role since August 2009. She worked for Cox Communications in Omaha, Nebraska as a Leadership Development Specialist and as a Technical Trainer from 2004 until 2009. Ms. Koester holds a Master of Science degree in Adult Learning, Performance and Leadership.

We periodically may provide and require that previously trained and experienced franchisees, their managers, and/or employees attend and successfully complete refresher and updated training programs to be conducted in Omaha, Nebraska at our headquarters or at another site we designate. Attendance at refresher training programs will be at your sole expense, however, attendance will not be required at more than 2 of these programs in any calendar year and will not collectively exceed 5 days in duration during any calendar year. We have the right to charge a fee for any continuing educational training programs, seminars, or webinars to cover our costs of providing such programs. You are required to pay your expenses as well as your employees' expenses when attending these programs.

We may periodically conduct an annual conference, convention, or training session and if we do, we will determine its duration, curriculum, and location. We strongly encourage you to attend these programs and we reserve the right to require you to do so. Currently, attendance at these programs is optional and you must pay all travel and living expenses for you and your personnel.

ITEM 12. TERRITORY

For your Franchised Business, except as explained below, you will be assigned an exclusive territory known as your "**Designated Area**". While the Franchise Agreement is in effect, you have an open office, and you are in compliance with all of the terms and conditions of the Franchise Agreement, including but not limited to complying with the Net Billings requirement for your franchise, we will not grant the right to another franchisee to operate a Franchised Business in the Designated Area and we will not establish a company-owned or affiliate-owned RIGHT at HOME business in your Designated Area. If, before you execute the Franchise Agreement or before you have established an open office, another Right at Home franchisee has been serving clients in an area previously unassigned to any franchisee that is now in your Designated Area, we will, in the best interests of continuity of client care, permit that franchisee to continue to serve those clients in your Designated Area. If you are opening your second or subsequent Franchised Business pursuant to a Secondary Franchise Agreement and another Right at Home franchisee has been serving clients in an area previously unassigned to any franchisee that is now in your Designated Area, we will permit that franchisee to continue to serve those clients in your Designated Area only if that franchisee was doing so before you executed the Primary Franchise Agreement or before you established an open office for the Franchised Business granted to you under the Primary Franchise Agreement.

Your Designated Area will be defined by ZIP codes and include a population of approximately 15,000 to 30,000 people who are age 65 and older. A list of the ZIP codes will be attached to the Franchise Agreement as **Exhibit A**. ZIP codes are a system of postal codes used by the United States Postal Service ("USPS") and are changed by the USPS from time to time. Changes by the USPS may affect the ZIP codes and the geographic area that makes up your Designated Area.

We do not assign a specific office location in your Designated Area. You must lease or own a conventional office location to operate your business. You select your site although it must be within your Designated Area and we must approve the location you propose to use. We have the right to grant or deny the location of your open office/Premises. Generally, we will not own the Premises and lease it to you. You may relocate your open office/Premises within your Designated Area after we approve the location you propose to use. We have the right to grant or deny the relocation of your open office/Premises.

If you enter into a Franchise Agreement (“**Primary Franchise Agreement**”) and one or more other Franchise Agreements (each a “**Secondary Franchise Agreement**”), and the Designated Area granted to you under each Secondary Franchise Agreement is contiguous to the Designated Area granted to you under the Primary Franchise Agreement, your Premises for the operation of the Franchised Business under each Secondary Franchise Agreement may be at the same Premises used for the operation of the Franchised Business opened and being operated by you under the Primary Franchise Agreement. If we authorize you do to so, you will execute the appropriate amendments to the various Franchise Agreements provided in **Exhibit F** to the Franchise Agreement (See Item 5).

You must use your best efforts to confine all advertising and promotion, use of promotional materials, solicitation, and similar efforts to the Designated Area, except as may be authorized by written communication from us. You must confine the performance of all services and the supply of all related products, materials and equipment to clients located in the Designated Area, except as may be authorized by written communication from us. If you wish to sell, market, promote, advertise, solicit, provide care, companionship and/or staffing or any other services or related products, materials and equipment outside your Designated Area (e.g., in an area that is not currently assigned to another Right at Home franchisee), then you must first obtain prior written approval from us, which we are under no obligation to grant. If we have granted such approval, we may withdraw our approval at any time and for any reason. As such, you understand that we have the right to withdraw the privilege to use promotional materials and to otherwise promote, advertise, solicit, provide care, companionship and/or staffing, products, materials, and equipment or perform any other services outside of the Designated Area any time without any further obligation to you. You do not have the right to use other channels of distribution, such as the Internet, telemarketing or other direct marketing, to make sales outside of your Designated Area.

We have the right, in our sole discretion, to:

1. Establish and/or license other Franchised Businesses at any location outside of the Designated Area as we deem appropriate;
2. Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, which businesses may be located within or outside the Designated Area, provided, however, that, except as specifically provided in this Agreement, Franchisor will not license or establish a business substantially similar to the Franchised Business within your Designated Area;
3. Sell the services, products, materials and related equipment authorized for your Franchised Business under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution and according to terms we deem appropriate within and outside your Designated Area;
4. To advertise and sell the services, products, materials and related equipment authorized as associated with your Franchised Business under the Marks through dissimilar channels of distribution including, without limitation, by electronic means such as the Internet and websites we establish and according to terms we deem appropriate within and outside your Designated Area without compensation

to you; provided, however, that we do not have the right to sell goods or services in your Designated Area and that all leads for the sale of goods or services in your Designated Area developed by any form of alternate channels of distribution used by us will be directed to you;

5. To advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of one or more websites using the Marks;

6. To offer for sale products designed for senior citizens that are ancillary or related to the services and needs of senior citizens through our website(s) or through such dissimilar channels of distribution as we determine at our discretion within and outside your Designated Area;

7. To acquire the assets or ownership interest of one or more businesses providing services, products, materials and related equipment similar to those provided at your Franchised Business, and franchise under a service mark or trademark other than our Marks, license or grant the right to others to operate those businesses once acquired, regardless of whether these businesses are located or operating within your Designated Area;

8. To be acquired by a business providing services, products, materials and equipment similar to those provided at your Franchised Business, even if such business operates, franchises and /or licenses competitive businesses in your Designated Area; and

9. Engage in any other activities not expressly prohibited in this Agreement.

Presently, we have no plans to provide substantially similar services or products under a different mark either through similar or alternative channels of distribution, but reserve the right to do so.

In consideration of our agreement not to grant another RIGHT at HOME franchise in your Designated Area, you must at all times use your best efforts to promote and increase the sales and service of the Franchised Business and to effect the widest and best possible distribution, sale and placement, solicitation and servicing of all potential clients for authorized RIGHT at HOME services throughout the Designated Area. You cannot, without our prior written permission, solicit sales or perform services outside your Designated Area. You agree to confine all efforts (including any advertising, promotion or solicitation), as well as to perform all services to clients at sites located in the Designated Area unless permission is otherwise granted in advance by Franchisor in writing. If you wish to provide care or companionship services and/or staffing or any other services outside of your Designated Area, in unassigned areas, then you must have our prior written approval. Even if we have given our approval, we may, in our discretion, at any time for any reason, withdraw our permission to you to perform further services for either preexisting or new clients outside your Designated Area. As such, you understand that the privilege to perform services outside of your Designated Area may be withdrawn at any time in our sole discretion and thus any operation outside of your Designated Area is at your risk. These conditions on soliciting sales or performing services outside of your Designated Area pertain to all channels of distribution including, without limitation, by electronic means such as the Internet and websites. In order for you to maintain the exclusivity rights to your Designated Area, you are required, at a minimum, to generate average Net Billings from the operation of the Franchised Business for each four (4) consecutive week period according to the following schedule:

<u>Months of Operation</u>	<u>Average Net Billing Requirement</u>
13-24	\$14,000
25-36	\$23,000
37-48	\$32,000
49-60	\$46,000
61-72	\$55,000
73 and thereafter, including Renewal Term, if any	\$65,000

If you enter into a Multiple Unit Development Agreement with us, you will be assigned an exclusive territory known as your “**Development Territory**”. To maintain the exclusivity rights to your Development Territory, you are required (at a minimum) to adhere to this schedule for each of the Franchised Businesses granted to you under the Multiple Unit Development Agreement and to adhere to the Development Schedule established in the Multiple Unit Development Agreement. Your failure to do either will be a material event of default under the Multiple Unit Development Agreement and we may terminate the exclusivity of your Development Territory, reduce the area of your Development Territory, or reduce the number of Franchised Businesses that you may establish in the Development Territory. Your Development Territory may also be terminated or altered if you are in default of the Multiple Unit Development Agreement (See Section 6, Multiple Unit Development Agreement).

We may increase the average Net Billing requirements for our franchisees by up to 5% per year upon notice to them. Continuation of your Designated Area exclusivity depends on you achieving the set sales volume and Net Billings. Your failure to achieve the above-referenced Net Billings in any year after you have had an open office for one (1) year and/or maintain the applicable average Net Billing requirements for any period of 12 consecutive weeks after such one-year period, will constitute a default under the Franchise Agreement and, in addition to the other remedies established in the Franchise Agreement, shall entitle us to: (i) decrease/reduce or otherwise change the size of your Designated Area; (ii) establish other franchises within your Designated Area; (iii) permit other franchisees to provide services to clients located within your Designated Area; or (iv) in addition to all other remedies provided under the Franchise Agreement and by law, terminate the Franchise Agreement as provided in the Franchise Agreement. You may cure such default as follows: we will request that you provide us within 30 calendar days with a detailed business plan for meeting the described Net Billing requirements within a reasonable period of time, not to exceed 6 months. Such business plan will be in form and contain substance acceptable to us. If you provide the business plan within the 30 calendar days, we will review it within 14 days after we receive the business plan. If we, in our sole judgment, believe that the business plan is reasonably achievable, we will give to you additional time to meet the Net Billing requirements in accordance with the business plan. If you fail or refuse to provide a business plan within the 30 calendar days, or if we determine that the business plan you submitted is not reasonably achievable, or if we approve the business plan but you fail to meet the Net Billing requirements in accordance with the plan, we may give you notice of termination under the Franchise Agreement. Details as to the form and content required for the business plan and the process described above may be more specifically explained and modified in the Operations Manual.

You maintain rights to your Designated Area even though the population increases.



You do not have rights or options to acquire additional franchises after executing a Franchise Agreement. You may apply for the right to operate additional RIGHT at HOME Franchised Businesses under separate Franchise Agreements.

As the demand for home care services continues to grow so will the likelihood of competition. One could expect to find that the home care market is competitive but not saturated. The needs of the market will provide opportunities for organizations providing quality, dependable services.

ITEM 13. TRADEMARKS

We grant you the right to use certain trademarks, service marks and other commercial symbols in operating a Franchised Business (“Marks”) including the “RIGHT AT HOME” mark (“Principal Mark”). The principal Right at Home commercial symbol which we will license to you appears on the cover of this Franchise Disclosure Document.

We have been granted an effective registration of the following Marks on the Principal Register of the United States Patent and Trademark Office:

Mark	Application/ Registration Number	Application/ Registration Date	Register
RAH STAFFING SERVICES	2,419,096	January 9, 2001	Registered on the Principal Register
	2,458,983	June 12, 2001	Registered on the Principal Register
RIGHT AT HOME	2,569,014	May 14, 2002	Registered on the Principal Register
RIGHT AT HOME	2,683,630	February 4, 2003	Registered on the Principal Register
	2,702,381	April 1, 2003	Registered on the Principal Register
CARE REWARDS	3,087,675	May 2, 2006	Registered on the Principal Register
VOLUNTEERING WITH A PAYCHECK	3,192,866	January 2, 2007	Registered on the Principal Register

Mark	Application/ Registration Number	Application/ Registration Date	Register
CARING RIGHT AT HOME	3,220,065	March 20, 2007	Registered on the Principal Register
RIGHT AT HOME CERT PROGRAM	3,348,456	December 4, 2007	Registered on the Principal Register

Currently there are no effective material determinations of the United States Patent and Trademark Office, trademark trial and appeal board, the trademark administrator of this state or any court; pending infringement, opposition or cancellation; or pending material litigation involving the Principal Mark.

There are no infringing or prior superior uses actually known to us that could materially affect the use of the Principal Mark in this state or any other state in which the Franchised Business is to be located. All required affidavits have been filed. No registration of any Mark has been renewed.

There are no other agreements currently in effect which significantly limit our rights to use or license the use of the Principal Mark in any manner material to your franchise.

All of your usage of the Marks and any goodwill established from their use will inure to our benefit.

You acknowledge that we are the owner of all right, title and interest in the Marks. You will not receive any interest in the Marks. You may not at any time contest the validity or ownership of the Marks, including any Marks which we license to you after you sign the Franchise Agreement.

You must promptly notify us of any claim, demand or cause of action based upon or arising from any attempt by any person, firm or corporation to use the Marks or any colorable imitation of the Marks. We will take whatever action it deems appropriate to protect the Marks. We are not required to defend or otherwise protect you against a claim of infringement or unfair competition arising out of your use of the Marks. We have the right to control any administrative proceedings or litigation involving a Mark. We are not required to participate in your defense or in your indemnification for expenses and damages if you are party to an administrative or judicial proceeding involving a trademark licensed to you, or if the proceeding is resolved unfavorably to you.

You must modify or discontinue using any Mark upon direction to do so from us within a reasonable time after receiving notice from us. We may add to, delete, substitute or modify any or all of our Marks from time to time. You must accept, use or cease using, as may be appropriate, the Marks, including modified or additional Marks in accordance with our prescribed directives, procedures, policies, rules and regulations whether contained in the Operations Manual, Franchise Agreement or otherwise. If You fail or refuse to do so, we may execute in Your name and on Your behalf any and all documents necessary, in our judgment, to comply with this Section; and we are hereby irrevocably appointed and designated as Your attorney-in-fact to do so. You will not be compensated or otherwise reimbursed for expenses resulting from or related to any discontinuance or modification of any of the Marks.

You must not use any Mark or part of any Mark as part of any corporate or trade name, in any modified form, nor may you use any Mark in connection with the sale of any unauthorized product or service, or in any other manner we do not authorize in writing. You must give notices of trademark and service mark registrations as we specify and obtain such fictitious or assumed name registrations as may be required under the law.

You may not establish a Web site or any other Web presence on the Internet using any domain name containing the words "RIGHT AT HOME", "RAH STAFFING SERVICES" or any variation without our written consent. We retain the sole right to advertise on the Internet and create Web sites using the "RIGHT AT HOME" and "RAH STAFFING SERVICES" domain names. You acknowledge that we are the owner of all right, title and interest in and to such domain names as we designate in the Operations Manual. We retain the right to pre-approve your use of linking and framing between our Web pages and all other Web sites and any other Web presence. If we request, you will, within 5 days, dismantle any frames and links between your Web pages and any other Web sites and Web presences.

We and our agents will have the right to enter and inspect your Franchised Business, during normal business hours, to ensure you are complying with our standards.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents are material to the franchise and we do not have any pending patent applications that are material to the franchise. We own certain copyrights in the Operations Manual, marketing materials, certain forms and reports and other copyrightable items. While we claim copyrights in these and similar items used in operating a Franchised Business, we have not registered these copyrights with the United States Registrar of Copyrights but need not do so to protect them. You may use these items only as we specify while operating your Franchised Business and must stop using them immediately if we direct you to do so and also at such time when the franchise is terminated.

You will receive proprietary, confidential and trade secret information of Right at Home. Our confidential information will include services, equipment, technologies, systems of operation, programs, policies, standards, techniques, requirements and specifications, the Operations Manual, the identity of and services to clients, records of clients and billings, methods of advertising and promotion, instructional materials, and other matters all being part of the Right at Home System. You are required to maintain the confidentiality of this information and may not use such information in any other business or in any manner we do not specifically authorize in writing. You may never, during the term of the Franchise Agreement, or after the Franchise Agreement expires or is terminated, reveal any of our confidential information, which will then include contracts for clients served by you, client lists and details of service, to another person or use it for any other person or business. You may not copy any of our confidential information or give it to a third party except as we authorize.

You will divulge confidential information only to your employees who must have access to it in order to operate the Franchised Business. All information, knowledge and know-how which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement, except information which you can demonstrate lawfully came to your attention before our disclosure of it; or which, at the time of our disclosure to you, had lawfully become a part of the public domain, through publication or communication by others; or which, after our disclosure to you, lawfully becomes a part of the public domain, through publication or communication by others.

You and any of your employees having access to confidential information will be required by us to sign our employment confidentiality contract provisions.

If you make or acquire any improvements, including any enhancements, adaptations, derivative works, modifications or new processes in the operation of the Franchised Business, you will grant-back rights in these improvements to us in consideration of the grant of the franchise and without the payment of additional consideration. If we seek patent protection or copyright registration for any improvements, it 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 the foregoing requirements. You agree that this does not constitute our consent to your modification of any RIGHT at HOME intellectual property or the creation of any derivative work based on any RIGHT at HOME copyright and you must obtain our express written consent before making the modification or derivative work.

The Operations Manual belongs to us and you must return it to us upon the expiration or termination of the Franchise Agreement. You may not make any disclosure, duplication, or other unauthorized use of any portion of the Operations Manual.

You must keep the Operations Manual updated and located at the Franchised Business. If there is a dispute with the contents of the Operations Manual, the terms of our master copy will control.

You must not use, in advertising or any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of Right at Home without the appropriate notices which may be required by law or us, including ©, ® or other copyright registration notices or the designations TM, SM where appropriate or an indication that the Marks described in Item 13 and any other Right at Home trademarks or service marks are the trade names, trademarks and service marks of Right at Home or an affiliate. The contents of all material available from us are copyrighted by us unless otherwise indicated. All rights are reserved by us, and content may not be reproduced, disseminated, published, or transferred in any form or by any means, except with our prior written permission. Despite anything stated or implied to the contrary in this Agreement, Franchisee must not use any of the Marks or copyrighted materials in any manner which has not been specified or approved by us.

To establish the validity of the sale of any Franchised Business for comparable purposes, we reserve the right to disclose information about any such transaction, including, but not limited to the transaction's terms, financing structure, and related marketing materials; the unit's operations and financial performance; and any other related material information.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Upon executing the Franchise Agreement, you will designate and retain an individual to serve as your Operating Principal ("**Operating Principal**"). The Operating Principal will have the full authority to act on your behalf in all matters related to the performance of the Franchise Agreement and the operation of the Franchised Business. We have the right to rely on any and all directions, elections, information and other communication from your Operating Principal as being made on your behalf, even if we receive information from any other owner or person who claims to have an ownership interest in you which may be contrary to or different from the information provided by your Operating Principal. We have no duty or obligation to inquire into or resolve any conflicting information provided by your Operating Principal and any other person on your behalf. If you are an individual, you will perform all the obligations of the Operating Principal.

The Operating Principal will, during the entire period he or she serves as such: (i) unless agreed upon in writing by us, maintain a direct or indirect ownership interest in you equal to at least 25% of the

ownership interests in you; (ii) be engaged full-time in connection with the operation of the Franchised Business and devote his or her best efforts to the supervision and conduct of the Franchised Business; (iii) meet our standards and criteria for such individual, as set forth in the Operation Operations Manual or otherwise in writing by us; and (iv) satisfy the training requirement discussed in Item 11(F). You must keep us informed of the identity of your Operating Principal.

Even if you designate and retain an Operating Principal, you will remain obligated to oversee the operations of the Franchised Business, and you must devote the necessary time and best efforts for the proper and effective operation of the franchise. You must at all times faithfully, honestly and diligently perform your obligations under the Franchise Agreement(s) and you must not engage in any business or other activities that will conflict with your obligations under the Franchise Agreement.

You are not an agent, legal representative, joint venturer, partner or employee of ours. You will be an independent contractor and are in no way authorized to make any contract, agreement, warranty or representation or to create any obligation, express or implied, on behalf of us.

You, your spouse, and all holders of a legal or beneficial interest in the franchisee entity must personally guarantee the obligations of franchisee to us and enter into a Non-Compete Agreement.

All of your employees having access to confidential information may be required to sign employment agreements with confidentiality agreements in a form approved by us as described in Item 14.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those services and products that we approve as part of the System. You may not offer any products or perform any services that we have not authorized. We periodically may change approved services and/or add products, and there are no limits on our right to do so.

You must not, without our written consent, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising, or list with any business, real estate broker, agent or attorney any information concerning the sale of the Franchised Business or the rights granted under the Franchise Agreement.

You must, at all times, hold yourself out as an independent contractor. You must take whatever actions we suggest which clearly indicates that the Franchised Business is independently owned and operated as a RIGHT at HOME Franchised Business and not as an agent of ours.

You must cooperate with us by maintaining high standards in the operation of the franchise and you must at all times, give prompt, courteous and efficient service to your clients and not engage in any business or other activities that will conflict with your obligations under the Franchise Agreement. The Franchised Business will, in all dealings with its clients, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing, moral and ethical conduct.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

Provisions	Section In Franchise Agreement	Summary
a. Length of the franchise term	Section 2.1	The term is 10 years from the date the Franchise Agreement is signed.
b. Renewal or extension of the term	Section 2.2	If you continuously complied with all of the provisions in the Franchise Agreement, you have 3 separate options intended to renew for the period of 5 years each, subject to the terms and conditions of the then current form of the Franchise Agreement. There is a renewal fee payable to us for each term renewal approved by us equal to 10% of the then current franchise fee at the time of each renewal.

Provisions	Section In Franchise Agreement	Summary
c. Requirements for franchisee to renew or extend	Sections 2.2, 2.3 and 18.2	For you to renew the Franchise Agreement, you must not be in default under any terms of the Franchise Agreement and substantially have complied with all obligations under the Franchise Agreement; maintain possession of the business Premises; have brought the Franchised Business into compliance with our current standards; have given timely notice of renewal to us; have satisfied all monetary obligations owed to us and any affiliate; have paid the renewal fee, if any; have executed a general release, in form prescribed by Franchisor, of all claims – except those not permitted to be waived under applicable law – against Franchisor and our agents; have signed a current renewal Franchise Agreement which may have materially different terms and conditions than in your original contract; and have met current qualifications and training requirements. You must give us notice of your intent to renew between 8 and 14 months before the Franchise Agreement expires. “Renew” or “renewal” means the continuation of your franchise relationship.
d. Termination by franchisee	Section 16.1	You may terminate the Franchise Agreement if you are in compliance with the Franchise Agreement, and we materially breach the Franchise Agreement, which breach results in a material adverse effect on Franchisee, and fails to cure or begin to cure within 30 days of receiving your written notice.
e. Termination by franchisor without cause	Not Applicable	The Franchise Agreement does not provide for termination without cause.
f. Termination by franchisor with cause	Sections 16.2, 16.3, 16.4, and 16.5	We may terminate the Franchise Agreement if you default under the terms of the Franchise Agreement.

Provisions	Section In Franchise Agreement	Summary
g. "Cause" defined - curable defaults	Sections 16.3, 16.4, 16.5, and 12.13	The following events constitute curable defaults: failure to satisfactorily complete training; violation of and failure to cure any health, safety or sanitation law or conduct your operation in a manner creating a safety hazard; default under the lease for the Premises; failure to establish and continuously maintain an open office within the Designated Area; failure to timely meet with Franchisor after receiving notice from Franchisor ("Section 30.4 Notice"); default under any covenant in Section 15; providing franchise services or products in another franchisee's designated area; failure to achieve the required average Net Billing requirements and failure to refuse to timely cure such default by timely submitting the required business plan, receive our approval of such plan, and meet the Net Billing Requirements set forth in the approved plan; or failure or refusal to comply with any provision of the Franchise Agreement or any mandatory specification, standard, or operating procedure prescribed in the Operations Manual or otherwise directed in writing by us and failure or refusal to such failure or refusal.

Provisions	Section In Franchise Agreement	Summary
h. "Cause" defined – non-curable defaults	Sections 16.2 and 12.13	<p>The following events constitute noncurable defaults: making a material misrepresentation or omission in the application for the franchise; conviction or plea of no contest to a felony or other crime or offense that can adversely affect the reputation of you or the Franchised Business; unauthorized use of any trade secret, confidential information, proprietary software, your misuse of the Marks, or any portion of the Operations Manual, copyrighted or copyrightable material or patents; abandonment of the business for 5 business days in any consecutive 12 month period; an attempt to or in fact does: (i) surrender or transfer of control of business, or (ii) make unauthorized assignment, or (iii) refuse to assign the Agreement or interest of a deceased or incapacitated controlling owner; submission of reports on 3 or more separate occasions understating Royalty Fees by more than 2% for any accounting periods during the term of the franchise and you are unable to satisfactorily demonstrate that understatements resulted from inadvertent error; failure to submit reports on 2 or more occasions within any 12 month period; any other franchise agreement with us is terminated by us as a result of your default; you are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; attempt to assign, transfer or sell the clients or identity of clients without our consent; failure on 2 or more separate occasions to timely meet the average Net Billing requirements; or failure to timely submit to arbitration any franchisee quarrel for which we have provided a Notice to Arbitrate. Termination upon bankruptcy may not be enforceable under the federal bankruptcy law (11 U.S.C. Section 101 et seq.).</p>

Provisions	Section In Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Section 17	Your obligations include: cease operations of the Franchised Business; assign lease to us, at our option; stop using the Marks and items bearing the Marks; assign any assumed names to us; de-identify the Premises from any confusingly similar decoration, design or other imitation of a RIGHT at HOME Franchised Business; stop advertising as a Franchised Business; pay all sums owed to us; pay all damages and costs incurred in enforcing the termination provisions of the Franchise Agreement; return all manuals, copyrighted material, and other confidential information to us; sell to us, at our option, all assets of the Franchised Business, including signs, equipment, supplies and items bearing the Marks; assign your telephone and facsimile number, internet and email addresses to us and comply with the covenants not to compete.
j. Assignment of contract by franchisor	Section 18.1	There are no restrictions on our right to assign except that assignee must be financially responsible and economically capable of performing our obligations under the Franchise Agreement and assignee must expressly agree to assume such obligations.
k. "Transfer" by franchisee-defined	Sections 18.2 and 18.3	Includes transfer of assets or sale of equity. You may transfer the assets of the Franchised Business and all rights subject to certain restrictions.
l. Franchisor approval of transfer by you	Section 18.4	We have the right to approve all transfers and transferees, but will not unreasonably withhold approval.

Provisions	Section In Franchise Agreement	Summary
m. Conditions for franchisor approval of transfer	Section 18.4	For a transfer to a third party, the transferee must meet our current qualifications, successfully complete the training program and sign the current Franchise Agreement and agree to assume all of the previous franchisee's obligations, pay all sums owed to us, including a transfer fee of 50% of the then-current Initial Franchise Fee, or if a Franchise consultant or brokers Commission is payable, 100% of the Initial Franchise Fee must be paid. If you are transferring to an entity you owned and formed solely for the purposes of operating the Franchised Business, you must remain the owner of the majority interest of that entity.
n. Franchisor's right of first refusal to acquire your business	Section 20	We have the right of first refusal to purchase a Franchised Business which is for sale and for which you have received a good faith offer to purchase. We have 30 days from notice of the offer to purchase the Franchised Business or its assets at the same terms as those contained in the offer.
o. Franchisor's option to purchase your business	Section 17.10	We are not obligated to do so, but, if the franchise is terminated or expires, we may purchase the assets of the Franchised Business at fair market value within 30 days after expiration or termination of the Franchise Agreement.
p. Death or disability of franchisee	Section 19	Your heirs, beneficiaries, devisees or legal representatives can apply to us to continue operation of the Franchised Business, or sell or otherwise transfer interest in the Franchised Business for 180 days after the death or incapacity. If they fail to do so, the Franchise Agreement will terminate and we will have the option to buy the assets used to operate the Franchised Business.

Provisions	Section In Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	Section 15.3	You must not divert or attempt to divert any business or client to a competitor, or perform any act which may harm the goodwill associated with the Marks and the System; other than for caregivers, employ or seek to employ any person we then employed or another franchisee of ours or otherwise cause that person to leave his or her employ without a mutual agreement between franchisees; or own or otherwise have any interest in any business (including a business operated before entry into the Franchise Agreement) specializing in offering or providing in-home assistance, companionship or staffing services or related services the same as or similar to any product or service provided in the System.
r. Non-competition covenants after the franchise is terminated or expires	Section 15	You must not own or operate a business, which provides non-medical in-home assistance and companionship services, healthcare, supplemental staffing or related services the same as or similar to other or services provided through the System for a period of 1½ years after the Franchise Agreement terminates, expires or is transferred within 10 miles of the outer boundaries of the Designated Area.
s. Modification of the agreement	Section 26	The Franchise Agreement can be modified only by written agreement between us and you. We may modify or change the System through changes in the Operations Manual.
t. Integration/merger clause	Sections 26 and 27	Only the terms of the Franchise Agreement and other written agreements are binding (subject to applicable state law) and may only be modified to the extent required by an appropriate court to make the Franchise Agreement enforceable. Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations made in the Franchisor's Franchise Disclosure Document that we furnished to you.

Provisions	Section In Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 29	Any dispute or claim relating to or arising out of the Franchise Agreement must be resolved exclusively by mandatory arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (“AAA”) or another arbitration service agreed to by the parties. Any proceedings will be conducted at the AAA’s Omaha, Nebraska office. In addition, Owners of your Franchised Business are obligated to submit arguments between themselves to arbitration if Franchisor so orders.
v. Choice of forum	Section 28	All other disputes must be brought only in the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska.
w. Choice of law	Section 28	Nebraska law applies, (subject to state law), except that disputes regarding the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

MULTIPLE UNIT DEVELOPMENT AGREEMENT

Provisions	Section In Multiple Unit Development Agreement	Summary
a. Length of the franchise term	Section 4	Not applicable
b. Renewal or extension of the term	None	Not applicable
c. Requirements for franchisee to renew or extend	None	Not applicable
d. Termination by franchisee	None	Not applicable
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	Section 6	We can terminate if you commit any one of several violations.

Provisions	Section In Multiple Unit Development Agreement	Summary
g. "Cause" defined - curable defaults	Section 6.2	The following events constitute curable defaults: providing franchise services or products in another franchisee's designated area; or failure or refusal to comply with any provision of the Multiple Unit Development Agreement or any mandatory specification, standard, or operating procedure prescribed in the Operations Manual or otherwise directed in writing by us and failure or refusal to such failure or refusal.
h. "Cause" defined – non-curable defaults	Section 6.1	The following events constitute noncurable defaults: conviction or plea of no contest to a felony or other crime or offense that can adversely affect the reputation of you or the Franchised Business; unauthorized use of any trade secret, confidential information, proprietary software, your misuse of the Marks, or any portion of the Operations Manual, copyrighted or copyrightable material or patents; an unauthorized direct or indirect assignment, or failure or refusal to assign the Franchised Business or interest of a deceased or incapacitated controlling owner; default under any other agreement with us that results in termination by us; you are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors. Termination upon bankruptcy may not be enforceable under the federal bankruptcy law (11 U.S.C. Section 101 et seq.).
i. Franchisee's obligations on termination/non-renewal	None	Not applicable
j. Assignment of contract by franchisor	Section 7.1	No restriction of our right to assign.
k. "Transfer" by franchisee-defined	Section 7.2	Includes transfer of interest in Multiple Unit Development Agreement subject to certain restrictions.

Provisions	Section In Multiple Unit Development Agreement	Summary
l. Franchisor approval of transfer by you	Section 7.2	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Sections 7.2 and 7.3	For a transfer to a third party, the transferee must meet our current qualifications, successfully complete the training program and sign the current Multiple Unit Development Agreement and agree to assume all of the previous franchisee's obligations, pay all sums owed to us, including a transfer fee of 25% of the then-current Initial Franchise Fee for each unopened Franchised Business to be transferred and the then-current Franchise Transfer Fee for each Franchised Business which is open and operating at the time you notify us of your intent to transfer or assign the Multiple Unit Development Agreement. If you are transferring to an entity you owned and formed solely for the purposes of operating the Franchised Business; you must remain the owner of the majority interest of that entity.
n. Franchisor's right of first refusal to acquire your business	None	Not applicable
o. Franchisor's option to purchase your business	None	Not applicable
p. Death or disability of franchisee	Section 7.5	We must be promptly notified of your death or permanent disability. The executor, administrator, or your personal representative must transfer the interest to a third party within 12 months after the death. Upon permanent disability, we may require the interest to be transferred to a third party approved by us within six months after notice to you. If an interest is not transferred upon death or permanent disability as required, such failure will constitute a material event of default.

Provisions	Section In Multiple Unit Development Agreement	Summary
q. Non-competition covenants during the term of the franchise	Section 8.3	You must not divert or attempt to divert any business or client to a competitor, or perform any act which may harm the goodwill associated with the Marks and the System; employ or seek to employ any person we then employed or another franchisee of ours or otherwise cause that person to leave his or her employ; or own or otherwise have any interest in any business (including a business operated before entry into the Multiple Unit Development Agreement) specializing in offering or providing in-home assistance, companionship or staffing services or related services the same as or similar to any product or service provided in the System.
r. Non-competition covenants after the franchise is terminated or expires	Section 8.3	You must not own or operate a business, which provides non-medical in-home assistance and companionship services, healthcare, supplemental staffing or related services the same as or similar to other or services provided through the System for a period of 1½ years after the Franchise Agreement terminates, expires or is transferred within 10 miles of the outer boundaries of the Designated Area.
s. Modification of the agreement	Section 14.1	The Multiple Unit Development Agreement can be modified only by written agreement between us and you.

Provisions	Section In Multiple Unit Development Agreement	Summary
t. Integration/merger clause	Sections 13 and 14	Only the terms of the Multiple Unit Development Agreement and other related written agreements are binding (subject to applicable state law) and may only be modified to the extent required by an appropriate court to make the Multiple Unit Development Agreement enforceable. Nothing in the Multiple Unit Development Agreement or in any related agreement is intended to disclaim the representations made in the Franchisor's Franchise Disclosure Document that we furnished to you.
u. Dispute resolution by arbitration or mediation	Section 14	Any dispute or claim relating to or arising out of the Franchise Agreement must be resolved exclusively by mandatory arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") or another arbitration service agreed to by the parties. Any proceedings will be conducted at the AAA's Omaha, Nebraska office.
v. Choice of forum	Section 14.2	All other disputes must be brought only in the United States District Court of the District of Nebraska and the Courts of Nebraska sitting in Douglas County, Nebraska.
w. Choice of law	Section 14.2	Nebraska law applies, (subject to state law), except that disputes regarding the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

ITEM 18. PUBLIC FIGURES

We do not presently 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 this disclosure document. Financial

performance information that differs from that included in this 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.

BACKGROUND

This Item 19 sets forth certain historical financial performance data as provided by our franchisees and that is the basis and written substantiation for the representations included below. Written substantiation of the data used in preparing this information and for the financial performance representation made in this Item 19 will be made available to you upon reasonable request. The representations made in this Item 19 are based upon the franchise system's outlets that existed for the periods of time indicated below and are not made up of any other subset of those outlets. These businesses all offered similar services and do not differ materially from the type of business described in this disclosure document.

For the purpose of this Item 19, "**Net Billings**" means the total of all revenues from the operation of the Franchised Business whether received in cash, services in kind, from barter and/or exchange, on credit (whether or not payment is received therefore) or otherwise. Net Billings does not include the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to clients, if such taxes are separately stated when the client is charged and if such taxes are paid to the appropriate taxing authority. In addition, Net Billings does not include the amount of any documented refunds, chargebacks, credits and allowances given in good faith to clients by franchisee and the amount of mileage and out-of-pocket expenses incurred by and reimbursed to your employees in connection with providing services to clients.

The Net Billings are based upon information reported to us by Right at Home franchisees whose offices had been open for at least 12-months for the period ending December 31, 2011, which is 168 Franchised Businesses. NOTE: Right at Home has not audited this information, nor have we independently verified this information. The information is for the period commencing January 1, 2011 through December 31, 2011.

The information has been extracted from actual franchise reports made to Right at Home.

IMPORTANTLY, THE SUCCESS OF YOUR FRANCHISE WILL DEPEND LARGELY UPON YOUR PERSONAL ABILITIES, YOUR USE OF THOSE ABILITIES AND YOUR MARKET. THE FINANCIAL RESULTS OF YOUR FRANCHISE WILL LIKELY DIFFER, PERHAPS MATERIALLY, FROM THE RESULTS SUMMARIZED IN THIS ITEM.

AVERAGE NET BILLINGS

Table 1 and Table 2 presented below contain certain information related to Net Billings realized by our franchisees for the period beginning January 1, 2011 and ending December 31, 2011. The opening date of an Office is the date the Franchisee is able to take on his or her first client.

The information and figures regarding Net Billings presented in Table 1 and Table 2 below are based upon information reported to us by Right at Home franchisees whose offices had been open for at least 12-months for the period ending December 31, 2011, which is 191 Franchised Businesses. NOTE: Right at Home has not audited this information, nor have we independently verified this information. The information is for the period commencing January 1, 2011 through December 31, 2011.

The information has been extracted from actual franchise reports made to Right at Home. The franchised businesses classified below, together with the breakdown of information, represent only those franchisees who reported data to us as specifically noted following the Net Billings Information table. The information may be used to evaluate the experience of existing Right at Home offices, but the information may not be relied upon as a projection or forecast of what a new franchisee may experience.

In preparing financial projections for a prospective franchise operation, it is important to keep in mind that each franchisee's experience is unique and their results will most likely vary depending on a number of factors, including the franchisee's personal abilities, use of those abilities, the market in which they operate, the general economic conditions, competition, effectiveness of the franchisee in the management of the office, and the overall efficiency of their operation.

Table 1: Net Billings Information for Franchisee Offices Open At Least One Year	Total Offices	Average Net Billings	Median Net Billings	Number & % of Offices that Attained or Exceeded Average Revenue Amount	Number & % of Offices that Attained or Exceeded Median Revenue Amount	Highest Office Net Billings	Lowest Office Net Billings	Average Percent Increase over 2010
Right at Home Franchises Time in Business								
61 Months or More	71	\$1,710,620.12	\$1,240,996.30	25 (35%)	36 (51%)	\$10,539,472.91	\$161,869.86	5.6%
49 To 60 Months	30	\$940,272.76	\$776,154.57	11 (37%)	15 (50%)	\$2,363,059.97	\$287,449.17	18.4%
37 To 48 Months	30	\$775,550.95	\$710,423.17	13 (43%)	15 (50%)	\$2,241,438.39	\$81,933.82	15.3%
25 To 36 Months	32	\$467,808.58	\$419,227.93	14 (44%)	16 (50%)	\$1,529,659.13	\$27,829.27	81.8%
13 To 24 Months	28	\$341,923.31	\$321,716.72	11 (39%)	14 (50%)	\$850,224.61	\$61,970.68	*
All Offices Open One Year or More Ending 2011	191	\$1,036,380.53	\$737,959.20	66 (35%)	97 (51%)	\$10,539,472.91	\$27,829.27	16.7%

* Percent not included because the franchisee offices were open less than 12 months in 2010.

Notes to Table 1:

The chart above includes data reported by 191 Offices operated by franchisees. Two franchisees with multiple Offices and Franchise Agreements each reported data as one Office. Therefore, data from these two franchisees was excluded. Fifteen franchisees included in this chart have more than one Franchise Agreement but do not have separate Offices for each Franchise Agreement and do not report Net Billings separately for each Franchise Agreement. Eleven franchises transferred ownership during 2011. Net Billings for those Franchises was reported based on the date the original Franchise opened. Substantiation of this information is available upon request.

Table 2: Further Analysis of 168 Franchise Offices in Table 1	# Offices	Percent
2010 Net Billings		
Over \$1,000,000	68	36%
\$750,001 - \$1,000,000	26	14%
\$500,001 - \$750,000	31	16%
\$250,001 - \$500,000	37	19%
\$0-250,000	29	15%
Total Offices	191	

Table 3-A: Average Business Performance as a Percentage of Net Billings (Average Performance Table)	Gross Margin %	Office Payroll %	Marketing %
Year			
2006	35.96%	9.24%	2.26%
2007	36.30%	10.80%	2.90%
2008	37.20%	12.30%	3.20%
2009	38.30%	12.40%	2.62%
2010	37.89%	14.75%	2.87%
2011	37.13%	10.36%	2.09%

Notes to Table 3-A:

The average performance Table 3-A sets forth the year by year average business performance of our franchisees based on those costs listed and then measured against their Net Billings. As used in the average performance Table 3-A:

1. Gross Margin means Net Billings less the Cost of Goods Sold. Cost of Goods Sold includes all direct costs related to direct care staff, including wages, workers compensation insurance, crime-fidelity employee dishonesty coverage and other professional and general liability insurance. Payroll taxes and payroll related insurance are included in the Cost of Goods Sold both for office

staff and direct care staff because they were combined in the information reported to us by these franchisees.

2. Office Payroll means all wages for office staff employees. Payroll taxes and payroll related insurance are included in Cost of Goods Sold.
3. Marketing costs are those associated with marketing and promoting the business, including such items as local telephone directory advertising, web-based advertising, media advertising, and trade show fees.

In Table 3-A you will find financial data reported only from those Franchised Businesses that had been open for at least the entire year indicated. For the year ending 12/31/2006, we received complete financial data from all of the 68 Franchised Business offices (100%). For the year ending 12/31/2007, we received complete financial data from 73 of the 80 Franchised Business offices (91%). For the year ending 12/31/2008, we received complete financial data from 98 of the 113 Franchised Business offices (87%). For the year ending 12/31/2009, we received complete financial data from 111 of the 134 (83%) offices. For the year ending 12/31/2010, we received complete financial data from 112 of the 168 (67%) offices. For the year ending 12/31/2011, we received complete financial data from 163 of the 191 (85%) offices.

For purposes of this financial performance representation, the following Tables, 3-B and 3-C, show the number and percentages of offices which attained or surpassed the averages stated (surpassed means their performance was better than the average):

**Number and Percent
of Offices Meeting or
Surpassing Average**

Table 3-C

Table 3-B

Year	Gross Margin
2006	37 (54%)
2007	38 (52%)
2008	51 (52%)
2009	52 (48%)
2010	58 (52%)
2011	86 (57%)

Year	Office Payroll	Marketing
2006	36 (53%)	31 (46%)
2007	41 (56%)	52 (71%)
2008	70 (71%)	73 (74%)
2009	71 (66%)	81 (75%)
2010	85 (76%)	88 (79%)
2011	79 (53%)	111 (74%)

Notes to Tables 3-A, 3-B and 3-C:

The information contained in Tables 3-A, 3-B and 3-C and related Sections is historical, based on cost experience reported, and may not be relied upon as a projection or forecast of what Net Billings or costs a

new franchisee may experience. These are not the only costs associated with the business. There is no assurance your costs will be comparable to our other franchisees.

SYSTEMWIDE NET BILLINGS

The Net Billings realized by all of our franchisees who were open and operating at any time from January 1, 2011 and through December 31, 2011 equaled approximately \$201 million dollars. We began the year 2011 with a total of 224 outlets; 22 outlets were opened, three outlets were terminated, two outlets were reacquired, and one outlet ceased operations during 2011. Therefore, we ended 2011 with a total of 240 outlets.

CAUTION

There is no assurance that your Franchised Business will do as well as those offices referenced in the above tables. If you rely upon those figures, you do so at your own risk of not doing as well. Actual results vary from business to business, and we cannot reasonably estimate the result of a particular business operation. Gross revenues, Net Billings and costs will vary. In particular, the gross revenues and Net Billings of your Franchised Business will be directly affected by many factors, such as: (a) geographic location; (b) competition from other similar businesses in your area; (c) sales and marketing effectiveness based on market saturation; (d) your product and service pricing; (e) vendor prices on materials, supplies and inventory; (f) labor costs; (g) ability to generate clients; (h) client loyalty; and (i) employment conditions in the market. Any such factor may differ materially from those that may exist for a franchise offered to you.

Importantly, you should not consider the Net Billings Information presented to be the actual potential Net Billings that you will realize. We do not represent that you can or will attain those or similar revenues or margins, or any particular level of Net Billings. We do not represent that you will generate income, which exceeds the initial payment for, or investment in, your franchise.

Based on all of the matters mentioned in this Item 19, we recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you and worth the risk. You should use this information only as a reference in conducting your analysis and in preparing your own projected income statements and cash flow statements. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections, federal, state and local income taxes, and any other applicable taxes that you may incur in owning and operating a franchised business.

THE SUCCESS OF YOUR FRANCHISE WILL DEPEND LARGELY UPON YOUR INDIVIDUAL ABILITIES, YOUR USE OF THOSE ABILITIES, AND YOUR MARKET. THE FINANCIAL RESULTS OF YOUR FRANCHISE OPERATIONS ARE LIKELY TO DIFFER, PERHAPS MATERIALLY, FROM THE RESULTS SUMMARIZED IN THIS ITEM 19.

Disclaimer Regarding Claims Made by Agents, et al.: We specifically instruct our sales personnel, franchise brokers, agents, employees and officers that they may not make any claims or statements as to the earnings, sales, profits, prospects, or chances of success of a Right at Home franchised business other than as set forth in this Item 19. They are not authorized to represent or estimate dollar figures as to a franchisee's operation other than as shown above, and if you decide to proceed to own a franchise you will be required to acknowledge in writing that you have not relied on any such unauthorized representation or estimate in purchasing your franchise.

A new franchisee's financial results are likely to differ from the results stated in the financial performance representation.

Other than the preceding financial performance representation, RIGHT at HOME does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Eric Little, 6464 Center Street, Suite 150, Omaha, Nebraska 68106, (877) 697-7537, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISE INFORMATION

In the following Table No. 1 you will find the total number of franchised and company-owned outlets for each of our last three fiscal years. For purposes of this Item 20, "outlet" means and includes franchises/outlets of a type substantially similar to that offered to the prospective franchisee.

**Table No. 1
Systemwide Outlet Summary
For Years 2009 to 2011**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change (+ or -)
Franchised	2009	177	206	+29
	2010	206	224	+18
	2011	224	240	+16
Company-Owned	2009	1	1	0
	2010	1	1	0
	2011	1	1	0
Total Outlets	2009	177	206	+29
	2010	207	225	+18
	2011	225	241	+16

In the following Table No. 2 you will find the total number of franchised outlets transferred in each state during each of our last three fiscal years. For purposes of this Item 20, "transfer" means the acquisition of a controlling interest in a franchised outlet, during its term, by a person other than us or an affiliate of ours. No transfers of outlets from franchisees to new owners for years 2009 to 2011 occurred in the states not included in this table.

**Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2009 to 2011**

State	Year	Number of Transfers
Arizona	2009	0
	2010	0
	2011	2

State	Year	Number of Transfers
California	2009	0
	2010	2
	2011	3
Florida	2009	1
	2010	0
	2011	0
Georgia	2009	0
	2010	0
	2011	1
Kansas	2009	0
	2010	1
	2011	0
Maryland	2009	0
	2010	0
	2011	2
Massachusetts	2009	0
	2010	1
	2011	0
Michigan	2009	0
	2010	0
	2011	1
Ohio	2009	0
	2010	1
	2011	2
Tennessee	2009	0
	2010	2
	2011	0
Texas	2009	1
	2010	0
	2011	0
TOTAL	2009	2
	2010	7
	2011	11

*The Franchised Business has an office in Maryland but its Designated Area encompasses a portion of Delaware in addition to a portion of Maryland.

In the following Table No. 3 you will find the status of franchisee-owned outlets located in each state (with at least one outlet) for each of our last three fiscal years.

Table No. 3
Status of Franchised Outlets
For Years 2009 to 2011

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Alabama	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	1	0	0	0	0	2
Arizona	2009	6	2	0	0	0	1	7
	2010	7	0	0	0	0	0	7
	2011	7	0	0	0	0	0	7
California	2009	18	3	0	0	0	0	21
	2010	21	5	0	0	0	0	26
	2011	26	6	0	0	0	0	32
Colorado	2009	4	1	0	0	0	0	5
	2010	5	0	0	0	0	0	5
	2011	5	0	0	0	0	0	5
Connecticut	2009	4	0	0	0	0	2	2
	2010	2	2	0	0	0	0	4
	2011	4	0	0	0	0	0	4
District of Columbia	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Delaware	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Florida	2009	8	2	0	0	0	1	9
	2010	9	1	0	0	0	0	10
	2011	10	2	1	0	2	0	9
Georgia	2009	4	3	2	0	0	0	5
	2010	5	1	0	0	0	0	6
	2011	6	0	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Idaho	2009	0	1	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Illinois	2009	11	1	0	0	0	1	11
	2010	11	0	0	0	1	0	10
	2011	10	0	0	0	0	0	10
Indiana	2009	2	2	0	0	0	0	4
	2010	4	0	0	0	0	0	4
	2011	4	0	0	0	0	0	4
Iowa	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
Kansas	2009	2	0	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Kentucky	2009	2	0	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Louisiana	2009	2	0	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Maryland	2009	7	0	0	0	0	0	7
	2010	7	0	0	0	0	0	7
	2011	7	2	0	0	0	0	9
Massachusetts	2009	6	0	0	0	0	0	6
	2010	6	1	0	0	0	0	7
	2011	7	2	0	0	0	0	9
Michigan	2009	11	3	0	0	0	0	14
	2010	14	0	0	0	0	0	14
	2011	14	0	0	0	0	0	14
Minnesota	2009	3	2	0	0	0	0	5
	2010	5	0	0	0	0	0	5
	2011	5	0	0	0	0	1	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Mississippi	2009	1	0	0	0	0	1	0
	2010	0	0	0	0	0	0	0
	2011	0	1	0	0	0	0	1
Missouri	2009	4	0	0	0	0	0	4
	2010	4	1	0	0	0	0	5
	2011	5	0	0	0	0	0	5
Nebraska	2009	2	0	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Nevada	2009	2	2	0	0	0	1	3
	2010	3	0	0	0	0	0	3
	2011	3	0	0	0	0	0	3
New Hampshire	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
New Jersey	2009	13	1	0	0	0	0	14
	2010	14	1	0	0	0	0	15
	2011	15	1	0	0	0	0	16
New Mexico	2009	1	0	0	0	0	0	1
	2010	1	0	0	0	0	0	1
	2011	1	0	0	0	0	0	1
New York	2009	1	1	0	0	0	0	2
	2010	2	0	0	0	0	0	2
	2011	2	2	0	0	0	0	4
North Carolina	2009	8	0	0	0	0	1	7
	2010	7	0	0	0	0	0	7
	2011	7	0	0	0	0	0	7
Ohio	2009	9	1	0	0	0	0	10
	2010	10	2	0	0	0	1	11
	2011	11	1	0	0	0	0	12
Oklahoma	2009	2	1	0	0	0	0	3
	2010	3	0	0	0	0	0	3
	2011	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Oregon	2009	2	1	0	0	0	0	3
	2010	3	0	0	0	0	0	3
	2011	3	1	0	0	0	0	4
Pennsylvania	2009	8	2	0	0	0	0	10
	2010	10	3	0	0	0	0	13
	2011	13	1	0	0	0	0	14
Rhode Island	2009	1	0	0	0	0	1	0
	2010	0	0	0	0	0	0	0
	2011	0	0	0	0	0	0	0
South Carolina	2009	4	1	0	0	0	0	5
	2010	5	0	0	0	0	0	5
	2011	5	0	0	0	0	0	5
Tennessee	2009	2	2	0	0	0	0	4
	2010	4	1	0	0	0	1	4
	2011	4	0	0	0	0	0	4
Texas	2009	9	4	0	0	0	0	13
	2010	13	1	0	0	0	0	14
	2011	14	1	1	0	0	0	14
Utah	2009	1	2	0	0	0	1	2
	2010	2	0	0	0	0	1	1
	2011	1	1	0	0	0	0	2
Virginia	2009	3	1	0	0	0	0	4
	2010	4	0	0	0	0	0	4
	2011	4	0	0	0	0	0	4
Washington	2009	4	0	0	0	0	1	3
	2010	3	3	0	0	0	0	6
	2011	6	0	1	0	0	0	5
West Virginia	2009	3	1	0	0	0	0	4
	2010	4	0	0	0	0	0	4
	2011	4	0	0	0	0	0	4
Wisconsin	2009	2	2	0	0	0	0	4
	2010	4	1	0	0	1	0	4
	2011	4	0	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
TOTAL	2009	177	42	2	0	0	11	206
	2010	206	23	0	0	2	3	224
	2011	224	22	3	0	2	1	240

In the following Table No. 4 you will find the status of company-owned outlets located in each state (with at least one outlet) for each of our last three fiscal years.

Table No. 4
Status of Company-Owned Outlets
For Years 2009 to 2011

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Required From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Nebraska	2009	0	0	0	0	0	0
	2010	1	0	0	0	0	1
	2011	1	0	0	0	0	1
TOTALS	2009	0	0	0	0	0	0
	2010	1	0	0	0	0	1
	2011	1	0	0	0	0	1

In the following Table No. 5 you will find projected new franchised and company-owned outlets.

Table No. 5
Projected Openings as Of December 31, 2011

State	Franchise Agreements Signed But Business/Outlet Not Opened	Projected New Franchised Businesses/Outlets In The Next Fiscal Year	Projected New Company-Owned Business/Outlet In The Next Fiscal Year
Alabama	0	2	0
Arizona	0	3	0
Arkansas	0	1	0
California	1	7	0
Connecticut	0	2	0
Florida	0	5	0
Georgia	2	1	0
Illinois	0	1	0
Kansas	0	1	0

State	Franchise Agreements Signed But Business/Outlet Not Opened	Projected New Franchised Businesses/Outlets In The Next Fiscal Year	Projected New Company-Owned Business/Outlet In The Next Fiscal Year
Kentucky	0	1	0
Maine	0	1	0
Maryland	0	3	0
Massachusetts	0	2	0
Michigan	0	1	0
Minnesota	0	1	0
Mississippi	1	1	0
Missouri	0	1	0
Montana	0	1	0
New Hampshire	1	0	0
New Jersey	1	2	0
New Mexico	0	1	0
New York	0	4	0
North Carolina	0	1	0
Ohio	0	1	0
Oklahoma	1	1	0
Pennsylvania	1	2	0
Rhode Island	0	1	0
South Carolina	0	3	0
Tennessee	0	1	0
Texas	1	2	0
Utah	0	1	0
Vermont	0	1	0
Washington	0	2	0
Wisconsin	0	1	0
Wyoming	0	1	0
TOTAL	9	60	0

Exhibit H lists the names of all current franchises and the addresses and telephone numbers of their outlets as of December 31, 2011.

Exhibit I lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not-renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who had not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Right at Home. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

During the last three (3) fiscal years, we have signed a confidentiality agreement with one (1) former franchisee. The confidentiality agreement was entered into as part of a settlement of a dispute

between us and the former franchisee. The former franchisee signed provisions restricting its ability to speak openly about certain details regarding its experience with us.

Exhibit J-1 lists, to the extent known, the names, addresses, telephone numbers, e-mail address and Web address of each trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed.

Exhibit J-2 lists the independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Our audited, fiscal year-end financial statements for fiscal years ending on December 31, 2009, December 31, 2010, and December 31, 2011 are attached as **Exhibit E**.

Our fiscal year end is December 31.

ITEM 22. CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Exhibit

- B. Franchise Agreement (including the following attachments)
 - Franchise Fee and Designated Area
 - Guaranty and Assumption of Obligations
 - Non-Compete Agreement
 - General Release
 - Multiple Unit Amendment to Primary Franchise Agreement
 - Multiple Unit Amendment to Secondary Franchise Agreement
- C. Multiple Unit Development Agreement
- F. Franchisee Disclosure Questionnaire
- G. Multi-State Addendum

ITEM 23. RECEIPTS

You will find copies of a detachable receipt in **Exhibit K** at the very end of this Franchise Disclosure Document.