

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register 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 THE 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

- 1 THE FRANCHISE AGREEMENT REQUIRES THAT MOST DISPUTES BE SUBMITTED TO ARBITRATION IN LOS ANGELES COUNTY, CALIFORNIA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, AND CALIFORNIA LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.
- 4 THE FRANCHISOR HAS BEEN OFFERING FRANCHISES FOR A SHORT PERIOD OF TIME (MAY 2014). THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.
- 5 FRANCHISEE IS SUBJECT TO A ROYALTY FEE OF 5% ON GROSS REVENUE PAYABLE MONTHLY.
- 6 THE FRANCHISE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$67,600 - \$89,500. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY AS OF DECEMBER 31, 2014, WHICH IS (\$44,224).
- ~~5-7 YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO MEET THE MINIMUM SALES QUOTA, YOU COULD LOSE YOUR EXCLUSIVE TERRITORY.~~
- ~~6 THE TRADEMARK DOES NOT HAVE A FEDERAL REGISTRATION WITH THE USPTO AND THAT IF AN ALTERNATIVE TRADEMARK MUST BE ADOPTED AS A RESULT IT MAY INCREASE YOUR EXPENSES.~~

The Effective Date for this Franchise Disclosure Document for your state is listed on the page following the state cover pages.

health and safety You must investigate and comply with all applicable laws and regulations You alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you

Pursuant to the Home Care Services Consumer Protection Act of 2013, (the "Act") you must conform to the Licensure and Certificate requirements of the Home Care Services Bureau (HCSB) effective January 1, 2015 The Act will apply to California agencies that provide home care services to consumers Home care services as related to this Act include nonmedical services and assistance provided by a registered home care aide to a client who, perhaps because of advanced age or physical or mental disability cannot perform these services These services enable the client to remain in his or her residence and include, but are not limited to assistance with the following bathing dressing, shopping, feeding, exercising, and personal hygiene and grooming For further information about the Home Care Services Consumer Protection Act, please visit the following website <http://www.cclid.ca.gov/PG3654.htm>

6 You may have to compete with other businesses, including franchised operations, national chains and independently owned companies offering home maintenance and similar services You may also encounter competition from other IHeart Caregiver Services Franchised Businesses

G 1 Our affiliate, Caregiver Services & Homecare Inc, and its predecessor have conducted the type of business the franchisee will operate since 2004 Caregiver Services & Homecare, Inc has never offered franchises in any line of business

2 We have offered IHeart Caregiver Services Franchise Businesses since May of 2014

ITEM 2. BUSINESS EXPERIENCE

CEO Belna Tagarao

Employer	Title	Start Date (Month/Year)	End Date (Month/Year)	City, State
Caregiver Services & Homecare, Inc	CEO	10/01/2008	Present	Los Angeles, CA
California Medical Resources Inc	CEO	10/23/2003	12/31/2008	Los Angeles, CA
LA Jobs Employment Agency	CEO	08/01/2002	Present	Los Angeles, CA
Summit Medical Billing Solutions Inc	CEO	03/01/2011	Present	Los Angeles, CA

Randolph Clarito

Employer	Title	Start Date (Month/Year)	End Date (Month/Year)	City, State
Caregiver Services & Homecare, Inc	Director - Business Development & Training	06/2011	Present	Los Angeles, CA
Caregiver Services & Homecare Inc	Area Manager/ Case Manager	02/2009	05/2011	Los Angeles, CA

1 Both the Initial and Ongoing Training will be held as often as necessary on an appointment basis at our primary business location or another determined location. We offer our initial training program whenever a new franchise location is projected to be opening. The initial training program is conducted at our headquarters in Los Angeles, California, or another location we designate.

2 We provide you an initial training program that covers material aspects of the operation of the franchised business including the following instructional materials: 1Heart Caregiver Services training manuals for each of the training classes, the Confidential Operations Manual and the subjects listed in the chart above. Training will be conducted by Randolph Clarito. His qualifications are as follows: Presently Director for Business Development and Training, previously certified and trained Chief Operating Officer, trained at St. Louis Missouri USA and Taipei Taiwan, Master Franchisor of 3 Pharmaceutical retail and distribution company, Training Consultant of Harry Pound British Consulting Company and had been a Senior Vice President of a manufacturing company engaged in Veterinary Pharmaceutical healthcare.

3 We do not charge for initial training. You must pay for all travel costs and living expenses for yourself and any of your attendees.

4 The initial training program is mandatory for the designated manager and he or she must attend and complete the initial training program to our satisfaction. The initial training program will be conducted approximately 2 months before the opening of the franchised business. Up to 2 assistants of your choosing may also attend at your option (for a total of 3 people). After a replacement of the designated manager, he or she has 30 days to complete initial training. You are not charged any fee to have a new designated manager attend our training program, unless your manager changes are excessive or caused by poor hiring practices. You must pay all travel costs and living expenses for a new designated manager's attendance (Section 8). We expect that your attendees will advance through the training program at different rates depending on a variety of factors, including background and experience. The time frames provided in the chart are an estimate of the time it will take to complete training. Periodically, you, your managers or employees must attend refresher-training programs to be conducted at our headquarters or another location we designate. Attendance at these programs will be at your expense (Section 8.5).

ITEM 12. TERRITORY

A The franchise is for a location to be approved by us.

B You will receive an exclusive territory designated by specific zip codes, of 350,000 to 450,000 population base. To determine the population density of an area we will use the most recent U.S. Census data made available by the Federal Government. We determine the boundaries of the area based on a variety of factors, including population, median population age, proximity to competitors, proximity to other franchisees and natural, physical or political boundaries.

C You must receive our written permission before relocating. If you can no longer use the location due to circumstances beyond your control or fault, including destruction of the premises, you will be allowed to relocate either permanently or temporarily. If you attempt to sell your franchised business or transfer your interest from the franchised business to a third party, we may exercise our right of first refusal to purchase your franchise on the same terms and conditions as offered by a third party.

D You do not receive the right to acquire additional franchises within your area of primary responsibility. You must meet our qualifications for new franchisees and pay a franchise fee to qualify for an additional franchise location.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/1heart-caregiver-services>