

OCT 25 2012

FRANCHISE DISCLOSURE DOCUMENT

Department of Corporations
Los Angeles

Home Options Network LLC
A business unit of Baxter International Inc.
One Baxter Parkway
Deerfield, IL 60015
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home_options@baxter.com
www.baxter.com



The franchise offered is a fixed-location service business which provides specific medical services to patients suffering from renal kidney failure more specifically described as peritoneal dialysis services and treatment, home hemo dialysis, and related patient training. The franchised business will deliver home-based kidney dialysis services to patients through a pre-defined operating model and business system. The franchisor will not be providing medical advice to or through the franchised business, but will be offering a business model and operating system from which a healthcare facility featuring home-based kidney dialysis services can be efficiently run and operated.

The total investment necessary to begin operation of a Home Options™ business is dependent on whether the location is an “initial start-up” location (the “Gold Program”) or the “conversion” of an existing Renal Dialysis clinical healthcare facility which is already a Medicare-Certified Program and is fully licensed or otherwise approved within the state to provide the kidney dialysis services which are a feature of this franchise (the “Silver Program”)

For an initial start-up, the total investment necessary to begin operation of a Home Options™ franchise is between \$49,524 and \$193,593. This includes an \$8,000 Franchise Fee that must be initially paid to the franchisor.

For a conversion of an existing Medicare-Certified and state-approved facility, the total investment necessary to begin operation of a Home Options franchise is between \$13,300 and \$42,500. In this case, there is no initial Franchise Fee that must be paid to the franchisor.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact us at Home Options Network, One Baxter Parkway, Deerfield, IL 60015, 1-888-736-2543 select Option 2.

The terms of your contract will govern your franchise relationship. Don't rely on this 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 Georgia Avenue, NW, Washington, D C 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

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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 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 ILLINOIS. 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 ILLINOIS THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT ILLINOIS LAW GOVERNS THE AGREEMENT, AND ILLINOIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT www.corp.ca.gov.
4. THIS IS A DEVELOPMENT STAGE COMPANY WHICH MAY ENTAIL ADDITIONAL RISK OF FINANCIAL LOSS.
5. THERE MAY BE OTHER RISK FACTORS CONCERNING THIS FRANCHISE.

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

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