

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
v. Choice of forum	18.G	All mediation, arbitration and, if applicable, litigation proceedings must be conducted in, or closest to, State court of general jurisdiction that is within or closest Genesee County, Michigan or, if appropriate, the United States District Court nearest to our corporate headquarters at the time such action is filed. This provision is subject to applicable state law
w. Choice of law	18.F	Michigan law will govern. However, this provision is subject to state law and as otherwise disclosed in Exhibit I to this Disclosure Document. (subject to APPLICABLE state law).

**ITEM 18  
PUBLIC FIGURES**

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

**ITEM 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

This financial performance representation is based upon the historic operating revenues and certain expenses of the "Affiliate-Owned Outlet" that operated in Flint, Michigan for the entirety of the "Measuring Periods", which cover the periods from January 1, 2022 to December 31, 2022 ("FY 2022"), from January 1, 2023 to December 31, 2023 ("FY 2023"), and from January 1, 2024 to December 31, 2024 ("FY 2024"). We obtained these historical financial results from the profit and loss reports submitted by the Affiliate-Owned Outlet. There are no other outlets operated by us or our affiliates, and there are currently two First Day Homecare businesses operated by franchisees as of the issuance date of this disclosure document. Neither franchised outlet operated for the entirety of any Measuring Period, so they have been excluded from this financial performance representation. The Affiliate-Owned Outlet operates in a materially similar manner as franchised outlets will perform, except that the Affiliate-Owned Outlet operates in a territory that is similar in size to about 4 franchised territories, an approximate 10,700,000 individuals.

In the Item 19 Table below, the historic Gross Revenue for the Affiliate-Owned Outlet during the Measuring Periods are categorized annually based upon year of operation. The explanatory notes included with the following charts are an integral part of this financial performance representation and should be read in their entirety for a full understanding of the information contained in the following charts.

## **Gross Revenue and Certain Operating Expenses for Affiliate-Owned Outlet**

ITEM	FY 2022	FY 2023	FY 2024
<b>Gross Revenue</b>	<b>\$3,728,515</b>	<b>\$7,054,838</b>	<b>\$8,908,974</b>
COGS	\$453	\$1,500	\$5,059
<b>Gross Profit</b>	<b>\$3,728,062</b>	<b>\$7,053,338</b>	<b>\$8,903,914</b>
Rent	\$16,970	\$34,662	\$53,252
Salaries and Wages	\$2,563,452	\$4,527,472	\$5,883,176
Advertising	\$21,224	\$61,401	\$88,734
Other Operating Expenses	\$598,803	\$765,726	\$860,732
<b>Franchise Adjustments</b>			
Royalty	\$186,426	\$352,742	\$445,449
Brand Fund	\$37,285	\$70,548	\$89,090
Technology Fee	\$3,600	\$3,600	\$3,600
<b>Adjusted EBITDA (if franchised)</b>	<b>\$300,303</b>	<b>\$1,237,186</b>	<b>\$1,479,881</b>
<b>EBITDA Margin</b>	<b>8.05%</b>	<b>17.54%</b>	<b>16.61%</b>

### **Notes to Table above:**

1. "Gross Revenue" means all revenue derived from providing services and/or products to clients. Gross Revenue does not include taxes which were collected and paid to applicable governmental authorities or revenue for which there was a valid corresponding refund paid to the customer.
2. "Advertising" amounts reflect the actual amounts spent during the Measurement Period on local and digital marketing.
3. "Salaries and Wages" means the salaries and wages for office and field staff. We excluded payroll taxes, and any retirement and insurance benefits offered to employees. We have not included our affiliate's owners' salary in this amount. The owners operate the business on a day-to-day basis and their compensation is reflected in the Adjusted EBITDA (if franchised) in the table above.
4. Although the Company-Owned Outlet did not pay us franchise fees during the Measuring Period, we have included the actual amounts that would have been paid by the Company-Owned Outlet if it were operating under our current form of Franchise Agreement. We call the fees "Franchise Adjustments" in this table. The Royalty Fee is 5%, the Brand Fund Contribution is 1%, and the Technology Fee is \$300 per month.
5. "Adjusted EBITDA (if franchised)" means Sales *minus* Total Expenses. EBITDA does not include interest paid on debt, taxes, depreciation, or amortization expenses.
6. "EBITDA Margin (if franchised)" is the EBITDA (if franchised) figure expressed as a percentage of Total Sales.

### **Notes Regarding the Affiliate-Owned Outlet and Item 19 Generally:**

1. Written substantiation to support the information appearing in this financial performance representation is available to you upon reasonable request.

**Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.**

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Emily Wiechmann, First Day Franchising, LLC, 4444 W Bristol Rd. Suite 100, Flint, Michigan 48507, (810)-815-9045, Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NO. 1**  
**SYSTEMWIDE OUTLET SUMMARY**  
**FOR YEARS 2022 TO 2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at Start of the Year</b>	<b>Outlets at End of the Year</b>	<b>Net</b>
<b>Franchised</b>	2022	0	0	-
	2023	0	0	-
	2024	0	1	+1
<b>Company-Owned</b>	2022	1	1	-
	2023	1	1	-
	2024	1	1	-
<b>Total Outlets</b>	2022	1	1	-
	2023	1	1	-
	2024	1	2	+1

**TABLE NO. 2**  
**TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)**  
**FOR YEARS 2022 TO 2024**

<b>STATE</b>	<b>YEAR</b>	<b>NUMBER OF TRANSFERS</b>
Total Outlets	2022	0
	2023	0
	2024	0

**TABLE NO. 3**  
**STATUS OF FRANCHISED OUTLETS**  
**FOR YEARS 2022 TO 2024**

<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Terminations</b>	<b>Non-renewals</b>	<b>Reacquired by Franchisor</b>	<b>Ceased Operations</b>	<b>Outlets at End of Year</b>
AZ	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1