

u. Dispute resolution by arbitration or mediation	18.G.	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation within Kenton County, Kentucky or the nearest suitable location to our corporate headquarters at the time such mediation is conducted as chosen by the mediator and, if mediation is unsuccessful, then to binding arbitration in Kenton County, Kentucky or the nearest suitable location to our corporate headquarters at the time such arbitration is conducted as chosen by the arbitrator. This provision is subject to applicable state law.
v. Choice of forum	18.G.	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in, the appropriate State or Federal Court within or closest to either Kenton County, Kentucky or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.
w. Choice of law	18.F.	Kentucky law will govern. However, this provision is subject to state law and as otherwise disclosed in <u>Exhibit I</u> to this Disclosure Document.

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) 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.

DEFINITIONS

- (a) Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.
- (b) Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us our affiliate or any person identified in Item 2.
- (c) Direct Gross Profit – means Gross Sales less Direct Labor Cost. Direct Gross Profit is not net profit or income and, except as to Direct Labor Cost, does not include the deduction of all other expenses incurred by a Trua Senior Living Locators Business including, but not limited to, managerial labor and expenses, administrative labor and expenses, marketing expenses, insurance expenses, operating expenses, or general expenses

including, but not limited to interest, taxes, depreciation, amortization, and Franchise Related Expenses.

- (d) Direct Labor Cost – means the direct non-owner labor expenses incurred in the operations of the Outlet and for employees that directly perform or provide services resulting in Gross Sales, and includes wages, payroll taxes, and paid employee benefits, if any, as well as commission. Direct Labor Cost does not include compensation related to administrative labor or management labor. For Franchise Outlets Direct Labor Cost does not include labor expenses or compensation paid to the franchise owners that perform services on behalf of their Trua Senior Living Locators Business.
- (e) Disclosed Expenses – means the following select expenses: advertising and marketing, taxes and licensing, legal and professional fees, office expenses, vehicle expenses, insurance, and miscellaneous expenses.
- (f) Franchise Outlet – refers to a Trua Senior Living Locators Business operated under a Franchise Agreement that is not a Company Owned Outlet.
- (g) Franchise Related Expenses – means the following select fees currently required under the Franchise Agreements: Royalty Fees, Brand Development Fund Fees, Technology Fees, and local marketing expenses. Franchise Related Expenses do not include all fee and payment obligations required under a Franchise Agreement.
- (h) Gross Sales – means the total revenue derived by each Trua Senior Living Locators Business less sales tax, discounts, allowances, and returns. Gross Sales include referral fee income received from each placement center in which we place a client.
- (i) New Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet and not as an Operational Company Owned Outlet, see definition below. If this Company Owned Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2025 Calendar Year.
- (j) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet (see definition below). If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.
- (k) Operational Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that was open and in operation on or prior to the commencement of the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet, see definition above, and not as an Operational Company Owned Outlet. If this Company Owned Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2025 Calendar Year.
- (l) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2024, as to the 2024 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet (see definition above) and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2025 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2025 Calendar Year.

- (m) **Outlet** – refers to a Trua Senior Living Locators Business that is either a Company Owned Outlet or a Franchise Outlet, as the context requires.
- (n) **Placement**– refers to an individual client that is placed by us in a care facility from which we receive commission income during the Calendar Year.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles. Data for our Company Owned Outlet is based on information reported to us by our affiliate and data for our Franchise Outlet is based on information reported to us by our franchisee. The information in this analysis has not been audited, is based on historical financial data, and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS OF OPERATIONAL COMPANY OWNED OUTLET

We have one Company Owned Outlet located in Fort Mitchell, Kentucky, which commenced operations in December 2019. The market serviced by our Company Owned Outlet is comprised of a population of approximately 600,000 people, which is the equivalent of two Territories. Tables 1 and 2 demonstrate select financial performance representations for our Company Owned Outlet for the 2025 Calendar Year.

Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlet as a result of our extensively experienced management team; (b) brand recognition within the local markets in which our Company Owned Outlet operates; and (c) no obligation to pay ongoing monthly fees that a franchisee will pay to us, such as the Royalty Fee and Brand Development Fund Fee.

Table 1

Operational Company Owned Outlet Gross Sales and Disclosed Expenses Data for 2025 Calendar Year		
	Total	%¹
Gross Sales	\$ 677,760	100.0%
Less:		
Direct Labor Cost (Salaries and Wages)	\$253,370	37.38%
Direct Labor Cost (Commissions)	N/A	0.00%
Total Direct Labor Cost	\$253,370	37.38%
Direct Gross Profit	\$424,390	62.62%
Less: Disclosed Expenses		
Advertising and Marketing	\$10,004	1.48%
Taxes and Licensing	\$4,079	0.60%
Insurance Expense	\$1,959	0.29%
Vehicle Expenses	\$789	0.12%
Legal and Professional Fees	\$500	0.07%
Office Expense	\$306	0.05%
Miscellaneous Expenses	\$825	0.12%
Direct Gross Profit Less Disclosed Expenses	\$ 405,928	59.89%
Less: Adjustments for Franchise Related Expenses		
Royalty Fee ²	\$54,221	8.0%
Brand Development Fund Fee ³	\$13,555	2.0%
Technology Fee ⁴	\$2,400	0.35%
Local Marketing ⁵	\$7,996	1.18%
Direct Gross Profit Less Disclosed Expenses and Franchise Related Expenses	\$327,756	48.36%
<u>Notes to Table:</u>		

¹ “%” represents the percentage of total Gross Sales.

² The Royalty Fee is equal to the greater of 8% of Gross Sales or \$650 per Territory per month.

³ The Brand Development Fund Fee is equal to the greater of 2% of Gross Sales or \$300 per Territory per month.

⁴ The Technology Fee is \$200 per month (which includes one user seat on our software), plus \$65 per month for each additional user seat on our CRM. We reserve the right to increase this at any time in the future provided that the monthly Technology Fee shall not exceed \$500 plus an additional \$100 per user per month.

⁵ You must spend not less \$1,000 per month for your first Territory plus an additional \$500 per month for each Additional Territory on the local marketing of your Trua Senior Living Locators Business within your Operating Territory. This adjustment reflects the difference between the local marketing requirement disclosed in Item 6 of this Disclosure Document and the advertising and marketing expense disclosed in Disclosed Expenses. In 2025, we spent \$10,004 on local marketing and the local marketing requirement disclosed in Item 6 would be \$18,000 and we disclose an adjustment that reflects the difference of \$7,996.

Table 2

Operational Company Owned Outlet Gross Sales and Placements for 2025 Calendar Year		
Gross Sales	Placements	Gross Sales Per Placement
\$677,760	135	\$5,020.44

ANALYSIS OF RESULTS OF OPERATIONAL FRANCHISE OUTLET

During the 2025 Calendar Year we had a total of one Franchise Outlet, which was an Operational Franchise Outlet. The Operational Franchise Outlet is located in Greenville, SC and commenced operations in November 2024. The market serviced by this Operational Franchise Outlet is comprised of a population of approximately 940,000 people, which is the equivalent of two Territories. Table 3 demonstrates select financial performance representations for the Operational Franchise Outlet for the 2025 Calendar Year.

Table 3

Operational Franchise Outlet Gross Sales and Placements for 2025 Calendar Year		
Gross Sales	Placements	Gross Sales Per Placement
\$309,609	81	\$3,822.33

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

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Senior Living Locators Franchising, LLC does 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 Matt Staley, Senior Living Locators Franchising, LLC, at 39 Sunnymede Drive, Fort Mitchell, Kentucky 41017 and 859-547-8925, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	1	+1
	2025	1	4	+3
Company Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	1	1	0
	2024	1	2	+1
	2025	2	5	+3

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
None	2023	0
	2024	0
	2025	0

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