FRANCHISE DISCLOSURE DOCUMENT

John Casablancas
CENTERS

Image Marketing Enterprises, L L C
A Missouri Limited Liability Company
648 Trade Center Blvd
Chesterfield, MO 63005
Phone (636) 536-6100
Website www jcasablancas com
Email jeanne d@imestl com

The franchisee will operate a business (a "**Center**") currently under the names "JOHN CASABLANCAS CENTERS" and "MODEL & TALENT MANAGEMENT AGENCY" which offers modeling, personal development and commercial film and television acting courses

The total investment necessary to begin operation of a Center ranges from $146,845 to $384,895 This includes $42,295 to $52,295 that you must pay to us The total initial investment necessary to begin operation of a "Conversion Franchise" business ranges from $55,995 to $81,895 This includes $37,295 to $42,295 that you must pay to us

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 Ms Jeanne Diliberto at 648 Trade Center Blvd , Chesterfield, Missouri 63005, telephone (636) 536-6100

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, 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

Issuance Date March 30, 2018

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 administrators listed in Exhibit F 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 YOU TO RESOLVE DISPUTES WITH US BY LITIGATION AND MEDIATION ONLY IN MISSOURI OUT OF STATE LITIGATION OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST MORE TO LITIGATE OR MEDIATE WITH US IN MISSOURI THAN IN YOUR HOME STATE

*2 THE FRANCHISE AGREEMENT STATES THAT THE LAW OF MISSOURI GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

* * *

* Local law may supersede these franchise agreement provisions Certain states require the superseding provisions to appear in an addendum in this disclosure document (See Exhibit M)

Effective Date See the next page for state effective dates

STATE EFFECTIVE DATES

The following states require that the Franchise 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 or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

STATE	EFFECTIVE DATE
California	
Florida	
Illinois	
Indiana	
Michigan	
Minnesota	
Rhode Island	
Virginia	
Washington	
Wisconsin	

IMAGE MARKETING ENTERPRISES, L L C

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

The Franchisor

Image Marketing Enterprises, L L C ("**we**," "**our**" or "**us**") is a limited liability company formed under the laws of the state of Missouri in September, 2003 We maintain our principal place of business at 648 Trade Center Blvd , Chesterfield, MO 63005 We currently conduct our business under our corporate name and under the names "John Casablancas Modeling & Career Center" and "Model & Talent Management Agency," "John Casablancas International" and "John Casablancas Centers " We do not retain the services of any sales organization or brokers

On March 4, 2004 we purchased certain assets and liabilities of Model Merchandising International, L P ("**MMI**") Included in those assets was the System (defined below), which includes the right to operate, and to license others to operate, Centers (defined below) in the United States, Canada, and other international countries

Our members, James Gans and Richard Gans, are owners of 15 Centers (these Centers are listed below in Item 20, and they are collectively referred to as the "**Affiliated Centers**") The first Affiliated Center was opened as a franchise of MMI in 1982, and our members have acquired additional Affiliated Centers since that time

Our agents for service of process are listed in Exhibit G

We do not have a parent company

Our Predecessor

Our predecessor, MMI, was a limited partnership formed under the laws of the state of New York in April 1987 MMI maintained its principal place of business at 111 East 22nd Street, New York, New York 10010 MMI conducted its business under its own corporate name and under the names "John Casablancas Modeling & Career Center" and "Model & Talent Management Agency" only

From 1987 until February 2004, MMI offered franchises in the United States for the establishment of a "John Casablancas Modeling & Career Center" and "Model & Talent Management Agency " Before 1987, these franchises were offered by Model Merchandising International, Ltd MMI did not offer franchises in any other line of business

Our Affiliates

The following three businesses are operated by our members and are associated with the Affiliated Centers

Aviage, Inc d/b/a Convention Expo ("**Aviage**") markets a semi-annual convention held by Model and Talent Expo to graduates of the Affiliated Centers and others Aviage has operated since 1998 and its principal place of business is 648 Trade Center Blvd , Chesterfield, MO 63005

Talent Management International, LLC ("**TMI**") is an Internet marketing business, concentrated on selling Internet portfolios to graduates of the Affiliated Centers and others TMI has operated since 2003 and its principal place of business is 648 Trade Center Blvd, Chesterfield, MO 63005 TMI has business relationships with vendors (some of whom TMI owns) who provide services to students and graduates under the System, including Modelwire com and Syngency com, to provide Internet on-line portfolios TMI also maintains the website www supermodel com for Supermodel com, along with providing certain supporting marketing materials TMI is an authorized reseller of on-line portfolios for Syngency com

International Talent Alliance, LLC ("**ITA**") markets a semi-annual convention held by International Models and Talent Association to graduates of the Affiliated Centers and others ITA has operated since 2013 and its principal place of business is 648 Trade Center Blvd, Chesterfield, MO 63005

None of these affiliates operate, or have operated in the past, a business of the type that you will operate None of these affiliates offer, or have offered in the past, franchises in any line of business

The Franchise Offered

If approved, you ("you" includes individual franchisees, partnerships, corporations, and shareholders owning 30% or more of a corporate franchisee's stock) will have the right to sign a franchise agreement with us (the "**Franchise Agreement**") Under the Franchise Agreement, you are granted the right and must undertake the obligation to establish and operate a modeling, personal development, and acting school under the name "JOHN CASABLANCAS CENTERS," and a model agency business under the name "MODEL & TALENT MANAGEMENT AGENCY" (the school and model agency business are collectively called the "**Center**") In the past, some of our Centers operated under the name "John Casablancas Modeling and Career Center," but we no longer intend to use that name for Centers established in the future

We have developed a system consisting of certain procedures and methods of operation, merchandising, promotion, and quality control for the operation of the Centers which includes a standardized, comprehensive manner of operations (the "**System**") The Centers currently offer courses in modeling, personal development and commercial film and acting courses

The Franchise Agreement grants you the right to use the trademarks, trade name, service marks, and commercial symbols as we now designate and as we may designate in the future (the "**Proprietary Marks**") for use in the operation of the Center As discussed in Item 13 below, MMI retains ownership of the Proprietary Marks, and under a license agreement with MMI, we have the right to use, and to license others to use, the Proprietary Marks You must operate the Center according to our confidential operating manuals (that include our curriculum, marketing, sales, promotion, and other manuals) and various audio and audio-visual materials, each of which may be made available to you in paper or electronic (e g, on the Internet) format (collectively, the "**Manuals**") You may operate the Center from a location (the "**Premises**") within the territory described in the Franchise Agreement (the "**Licensed Territory**")

We offer the following types of franchises

Standard Franchise You will receive a Standard Franchise to operate a Center if you do not currently operate a modeling or personal development school within the Licensed Territory and if you have had little or no experience in the operation of a modeling or personal development school

Conversion Franchise You will receive a Conversion Franchise to operate a Center if you currently own 50% or greater of the interest in an existing modeling, personal development or acting school or center, located within the Licensed Territory, that has been in continuous operation for at least two years before you enter into the Franchise Agreement, and that will adopt the Center curriculum, the Proprietary Marks and the System

Additional Franchise You may receive an Additional Franchise to operate an additional Center if you currently operate a Center

Satellite Office You also may receive the right to operate an additional office (the "**Satellite Office**") within your Licensed Territory under the terms and conditions contained in our Satellite Addendum (attached to this disclosure document as Exhibit B)

* * *

Competition

The modeling school market is developed You may have to compete with other privately owned modeling schools or vocational schools which provide similar services as those you provide The principal competitive factors in the modeling school industry are the availability of potential applicants, the level and integrity of the training provided by individual modeling schools, and the cost of the school's training

Industry-Specific Regulations

Some states and localities may classify your Center as a vocational training school, and in that case may require you to receive approval and be licensed by the Department of Education and/or other regulatory agencies Under certain circumstances, you may qualify for an exemption from this approval and licensing process In addition, several states require modeling agencies to receive approval and be licensed by the Department of Labor and/or other regulatory agencies Your state may require you to post a bond as security to operate your Center Requirements for licenses vary from state to state, and you should consult your attorney and/or the local licensing department to determine the exact requirements for licensing Generally, in order to obtain a license, an applicant must establish its financial stability, its good moral character and have its curriculum, catalogs and student contracts approved In addition, many states require instructors and/or administrative personnel to be licensed or meet state requirements You must comply with all local, state, and federal laws that apply to the operation of your Center, including, for example, zoning, building code, health, EEOC, OSHA, discrimination, employment, sexual harassment, and tax laws The Americans with Disability Act of 1990 and state equivalents require readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, bathrooms, etc You should consult with your attorney concerning those and other local laws and ordinances that may affect your Center's operation

ITEM 2
BUSINESS EXPERIENCE

President and Member James Gans

James Gans has been our President and Member since September 2003 He has served as President and owner of each of the Affiliated Centers since 1996 Mr Gans has been Vice-President and owner of JC Corporate Management, Inc in Chesterfield, Missouri, since 1985 He has been Vice President of National Educational Acceptance Corporation, in Chesterfield, Missouri, since 2004 Mr Gans is the Vice-President and owner of Model Management Agency, Inc , in Chesterfield, Missouri, since 1985 He has been President and owner of Aviage in Chesterfield, Missouri since 1998 Mr Gans has been Vice President and a member of TMI in Chesterfield, Missouri since September 2003 He is also the owner and President of Jarrat Group Inc , in Chesterfield, Missouri, since January 1996 Mr Gans has been President and a member of ITA in Chesterfield, Missouri, since March 2013

Executive Vice President and Member. Richard Gans

Richard Gans has been our Executive Vice President and Member since September 2003 He has served as Vice President and owner of each of the Affiliated Centers since 1996 Mr Gans has been President and owner of JC Corporate Management, Inc in Chesterfield, Missouri, since 1996 (he previously served as Vice President from 1977 through 1996) He has been President of National Educational Acceptance Corporation, in Chesterfield, Missouri, since 2004 Mr Gans is the President and owner of Model Management Agency, Inc , in Chesterfield, Missouri, since 1996 (he previously served as Vice President from 1983 through 1996) He has been Vice President and owner of Aviage in Chesterfield, Missouri since 1998 Mr Gans has been Vice President, Secretary and a member of TMI in Chesterfield, Missouri since September 2003 He has been Vice President/Secretary and a member of ITA in Chesterfield, Missouri, since March 2013 Mr Gans has been a Member of the Board of Directors since May 2015, and President since June 2016, of the Monarch Fire Protection District in Chesterfield, Missouri, and also was a Member of the Board of Directors and held various positions with them from February 1998 to April 2011

Controller. Mark Rothstein, CPA

Mark Rothstein has been our Controller since July 2015 He was one of our Members, and our Treasurer, from September 2003 to July 2015 Mr Rothstein served as an owner and Treasurer of each of the Affiliated Centers from 1996 to July 2015 He was Treasurer and an owner of JC Corporate Management, Inc in Chesterfield, Missouri from 1996 to July 2015 Mr Rothstein was Treasurer of National Educational Acceptance Corporation, in Chesterfield, Missouri, from 2004 to July 2015 He was Treasurer and an owner of Model Management Agency, Inc , in Chesterfield, Missouri, from 1996 to July 2015 Mr Rothstein was Treasurer and an owner of

Aviage in Chesterfield, Missouri from 1998 to July 2015 He was Treasurer and a member of TMI in Chesterfield, Missouri from September 2003 to July 2015 Mr Rothstein was Treasurer and a member of ITA in Chesterfield, Missouri, from March 2013 to July 2015

Director of Operations: Deanna (Jeanne) Diliberto

Deanna (Jeanne) Diliberto has been our Director of Operations since September 2015 She also has been Director of Marketing and Operations for each of the Affiliated Centers since January 2016 From February 2004 to September 2015, Ms Diliberto served as our Director of Advertising and Promotion She was Director of Marketing for each of the Affiliated Centers from 1995 until January 2016

Chief Information Officer Ames Foley

Patrick Ames Foley has been our Chief Information Officer since October 2008 Before joining us, he was a Project Manager for Byrne Software in Chesterfield, Missouri from February 1999 to October 2008

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item

ITEM 4
BANKRUPTCY

Deanna (Jeanne) Diliberto, our Director of Operations, filed a petition seeking protection under the US Bankruptcy Code (Case No 1540306, U S Bankr Court for the Eastern District of Missouri) on January 19, 2015 The case was discharged on April 15, 2015

Other than the action above, no bankruptcy is required to be disclosed in this Item

ITEM 5
INITIAL FEES

Upon signing the Franchise Agreement, you must pay us an initial franchise fee which varies according to the type of franchise you will operate and the population of the Licensed Territory at the time you enter into the Franchise Agreement We will determine the initial franchise fee by the following chart

TYPE OF FRANCHISE	POPULATION Over 1,000,000	1,000,000 and Under
Standard Franchise	$50,000	$40,000
Conversion Franchise	$40,000	$35,000
Additional Franchise	$35,000	$30,000
Satellite Office	$6,000	$6,000

We will determine the population of the Licensed Territory according to statistical information available from governmental and/or private sources

As a general matter, we use the proceeds from initial franchise fees for the following purposes administrative costs of our franchise sales operation, legal costs of complying with franchise laws and regulations and editing and updating our franchise agreements, qualifying and investigating prospective franchisees, traveling to meet, and meeting with, prospective franchisees, reviewing site approval requests made by new franchisees, preparing and updating our confidential Operations Manual, conducting initial training for new franchisees and creating and updating training materials, and promoting and providing on-site assistance for the opening of new Centers

As described in Note 5 to Item 6 below, you will be required to enter into a software license agreement with us for the use of the LMS and JCSA software (the "**Software License Agreement**"), a copy of which is attached to this Disclosure Document as Exhibit K Under the Software License Agreement, you must pay us an initial fee in the amount of $2,295

All initial fees are payable in lump sum, are non-refundable, and uniformly applied to new franchisees

ITEM 6
OTHER FEES

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fee	7% of Gross Income	On or before the 15th day of each month on Gross Income for the preceding month	See Note 2 below
IME Co-Op Advertising Fund	3% of Gross Income	On or before the 15th day of each month on Gross Income for the preceding month	We have complete control over setting the fees imposed on franchisees We

Type of Fee (Note 1)	Amount	Due Date	Remarks
			currently administer the IME Co-Op Advertising Fund
Transfer Fee	$8,000 to $15,000	Upon transfer	Payable by the assignee See Note 3 below
Audit by Us	Cost of Audit	As incurred	Required if audit reveals understatement of Gross Income by 3% or more
Indemnification	Will vary under circumstances	10 days after billing	You must reimburse us if we are held liable for claims from your operation of the Center and for all costs we incur in enforcing the covenants against competition described in Section 14
Purchase of Inventory Items from Us	Varies See Note 4	As incurred	See Note 4 below
Fees for LMS and JCSA Software license	Varies, but not to exceed $500/month for each program See Note 5	1st day of each month	See Note 5
Email Domain Name Fee	Varies, but will not exceed $50/month See Note 6	As incurred	See Note 6
Interest on Overdue Payments	1½ % per month of amount overdue	30 days after billing	Payable on overdue amounts you owe us

Notes

1 We impose and collect all fees, which you must pay to us All fees are uniform and non-refundable You must comply with the payment and reporting procedures we specify in the Manuals and we reserve the right to automatically debit your bank account for the purpose of obtaining payments We may require you to sign and return to us our current form of "Authorization Agreement for Prearranged Payments (Direct Debits)," a copy of which is attached to the Franchise Agreement as Exhibit C

2 For Standard Franchises, Additional Franchises, and Satellite Offices, "Gross Income" includes all revenue from the sale of any and all courses, products, and services, and

other business transacted in, on, or from the Premises, and all other income that is related directly or indirectly to the Center and any affiliated operations (including, among other things, revenue derived from the sale of photography, composite cards, management fees, internet programs, cosmetics, skin care and hair care products, pageants, portfolios, conventions, clothing, workshops, trips and seminars), whether for cash or credit, without deduction of any kind, except for deduction for uncollectible tuition or enrollment Cancellations are deductible from Gross Income only to the extent you are obligated to refund monies already collected Gross Income will be based only on amounts you receive, and will not include any offsets attributable to deferred or accrued student tuition Gross Income also does not include any sales taxes or other taxes you collect from customers and pay directly to the appropriate taxing authority With respect to model agency operations, the Net Income (defined below) derived from the operation of the agency business and affiliated operations (including, among other things, revenue derived from photography, composite cards, management fees, internet programs, cosmetics, skin care and hair care products, clothing, pageants, portfolios, conventions, and seminars, and secondary and related agencies) is included in Gross Income "Net Income," is defined as the total amount billed to agency clients of any and all charges and/or fees, minus total payments to models for corresponding bookings For Conversion Franchises, Gross Income will not include tuition from students enrolled before the date of the Franchise Agreement

3 The transfer fee is $15,000, but the transfer fee is $8,000 if the transferee is a then-current owner of a Center operated under the System

4 You must purchase MSKs, ASKs, the Professional Modeling Workbook for Women Volumes 1 and 2, the Professional Modeling Workbook for Men, and the Professional Modeling Workbook for Preteens from us MSK and ASK supply kits range in cost from $31 to $44 per student You must also purchase Professional Modeling Workbook for Women Volumes 1 and 2, the Professional Modeling Workbook for Men, and the Professional Modeling Workbook for Preteens, at a cost of $96 per dozen workbooks In addition, if you choose to use promotional booklets ($192 50 for an order of 275), brochures ($75 for an order of 150), welcome cards ($79 for an order of 150), ID cards ($67 50 for an order of 150), portfolio books ($300 for an order of 20) and vinyl paperwork envelopes ($70 for an order of 100), these must be purchased from us at the costs shown

5 We have created a proprietary Lead Management System ("**LMS**") software and proprietary John Casablancas School Administration ("**JCSA**") software, which are Internet-based applications to assist you with the operation of the Center You are required to use the LMS software and the JCSA software and must enter into the Software License Agreement Under the Software License Agreement, you will be required to make payments to us for the use of the software, and although these fees may vary, they will not in any event exceed $500/month for LMS software and $500/month for JCSA software

6 We reserve the right to require you to use our domain names and/or email addresses for all electronic communications made in the operation of the Center We reserve the right to charge you a fee for this use, which will not exceed $50/month for all domains

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Standard Franchise

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee 1/	$ 40,000 to $ 50,000	Lump Sum	Upon Signing the Franchise Agreement or Addendum	Us
Leasehold Improvements and Signage 2/	$ 30,000 to $ 150,000	Progress Payments	As Arranged	Contractor
Equipment, Furniture, and Fixtures 3/	$ 17,000 to $ 55,000	As Incurred	Before Opening	Suppliers
Insurance Premiums 4/	$ 500 to $ 2,000	Lump Sum	Before Opening	Insurance Agent
Office Supplies 5/	$ 3,250 to $ 5,100	Lump Sum	Before Opening	Suppliers
Utilities and Deposits 6/	$ 200 to $ 2,500	As Incurred	As Required	Utility Companies
Professional Fees 7/	$ 1,500 to $ 3,000	As Incurred	As Required	Professionals
Pre-Opening, Salaries, Travel, and Initial Training 8/	$ 2,600 to $ 5,000	As Arranged	As Required	Suppliers or Employees
Opening Advertising and Marketing Materials 9/	$ 9,000 to $ 17,500	As Incurred	As Required	Suppliers
Software Fee 10/	$ 2,295	Lump Sum	Upon Signing the Software License Agreement	Us
Facility Rent and	$ 15,000 to	Lump Sum	As Required	Landlord

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Security Deposits 11/	$ 40,000			
Business License 12/	$ 500 to $ 2,500	Lump Sum	As Required	Governmental Licensor
Additional Funds (6 months) 13/	$ 25,000 to $ 50,000	As Needed	As Required	Third Parties
Total	$ 146,845 to $ 384,895			

Conversion Franchise
(Note 14)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee 1/	$ 35,000 to $ 40,000	Lump Sum	Upon Signing the Franchise Agreement or Addendum	Us
Leasehold Improvements and Signage 2/	$ 1,000 to $ 3,000	Progress Payments	As Arranged	Contractor
Equipment, Furniture, and Fixtures 3/	$ 3,000 to $ 5,000	As Incurred	Before Opening	Suppliers
Insurance Premiums 4/	$ 500 to $ 2,000	Lump Sum	Before Opening	Insurance Agent
Professional Fees 7/	$ 600 to $ 1,300	As Incurred	As Required	Professionals
Training for Staff and Faculty 8/	$ 1,100 to $ 3,300	As Arranged	As Required	Employees
Grand Opening Advertising and Marketing Materials 9/	$ 9,000 to $ 17,500	As Incurred	As Required	Suppliers
Software Fee 10/	$ 2,295	Lump Sum	Upon Signing the Software License Agreement	Us
Business License 12/	$ 500 to $ 2,500	Lump Sum	As Required	Governmental Licensor
Additional Funds (6 months) 13/	$ 3,000 to $ 5,000	As Needed	As Required	Third Parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Total	$ 55,995 to $ 81,895			

Notes

Except as otherwise noted below, all expenses are non-refundable

1 The charts do not include the initial franchise fees for an Additional Franchise which range from $30,000 to $35,000, or for a Satellite Office which is $6,000 If you enter into a Site Selection Addendum, you must pay us the initial fee upon signing the Addendum We do not offer financing for the initial franchise fee See Item 5 for a detailed description of the initial franchise fee and the circumstances in which it may be partially refundable

2 You may need to make leasehold improvements to the Premises and, where necessary, install signage, to conform it to our standards and specifications for the Centers You may be able to amortize the leasehold improvements into your monthly rent, depending on your financial situation In our experience, the cost range for leasehold improvements is $30,000 to $150,000 for a Standard Franchise, and $1,000 to $3,000 for a Conversion Franchise The estimate does not include the cost to install signage, if required, which can range from $4,000 to $5,000

3 You will need to furnish the Center with the equipment (including computer equipment), furniture, and fixtures that we specify

4 The figures in the chart represent annual insurance expenses of $500 to $1,800 Some insurance companies may require you to pay less than the entire annual premium initially

5 You will need supplies including stationery, labels, cleaning supplies, and other general office supplies, some of which, as mentioned in Item 5, may be purchased from us If you are a Conversion Franchisee, you will already have some of these supplies

6 You will need to make deposits and pay for utilities for the Center The amount of the deposits will depend upon the practices of the provider In most cases, the deposits will be refundable

7 You may need to employ an attorney or accountant, and we recommend that you do so

8 Standard Franchise You will incur expenses associated with our initial new owner training program For the initial new owner training program provided to franchisees and their employees for the operation of the Center, we provide instructors and instructional materials, but you will need to arrange for transportation, lodging, and food for yourself and any employees, and for any wages for the employees Your costs will depend on the

distance you must travel to the training location(s), the type of accommodations you choose, and the number of people who attend training

Conversion Franchise Upon your written request, we will provide training to you at your location You will need to pay the salaries for your employees to attend this training

9 In addition to those we supply, you will need advertising and marketing materials which may include printed materials and other media and Internet expenditures You will also have the option of conducting online marketing, for which there are additional costs (which have been included in the estimate)

10 You are required to use the LMS software and the JCSA software and must enter into the Software License Agreement This is the initial fee you must pay to us upon signing the Software License Agreement

11 If you do not own a location for your Center, you must purchase or lease a space approved by us You will probably need to lease a space at least four months in advance, however, you may attempt to negotiate an abatement from the landlord In general, we typically negotiate the payment of our leases to coincide with the start of operations so no material pre-opening occupancy expenses are incurred However, in some cases it may be necessary to begin lease payments before opening in order to secure a particular location, or to accommodate the optimal timing of a new Center opening Center locations and sizes vary, but a Center ranging from 2,500 to 4,000 square feet is typical and expected

The figures in the estimate are calculated on the following assumptions (a) you will have to pay four months' rent (made up of three months' rent after you open and one month's rent as a security deposit), (b) for space in the range of 2,500-4,000 sq ft, (c) at $18 to $30 per square foot per year If the site you choose is larger, has a higher rental cost, or if you cannot negotiate a pre-opening abatement of rent, then your costs will be higher than those in the chart

Rent varies considerably from market to market, and from location to location within each market Rents may vary beyond the range that we have provided, based on factors such as market conditions in the relevant area, the type and nature of improvements needed to the premises, the size of the Center, the terms of the lease, and the desirability of the location If you decide to purchase the property for the location of your Center, you will incur additional costs that we cannot estimate For Conversion Franchises, a security deposit will not be necessary

12 As described in Item 1, in certain states you must obtain a license for the John Casablancas Modeling & Career Center from the Department of Education or a similar regulatory authority in the state in which the Center is located In certain states you must obtain a license for the Model & Talent Management Agency from the Department of Labor or similar regulatory authority in the state in which the Center is located The costs of licensing will vary from state to state

13 You will need capital to support ongoing expenses, such as payroll, rent, advertising, and utilities, to the extent that these costs are not covered by sales revenue New businesses often generate a negative cash flow We estimate that the amount stated will be sufficient to cover ongoing expenses for the initial period of the business, which we calculate to be six months This is only an estimate, however, and there is no assurance that you will not need additional working capital during or after this initial phase

We relied on our members' more than thirty years of experience in the industry to compile the amounts included in the chart However, all figures are estimates You should review these figures carefully with a business advisor before making any decision to purchase the franchise

14 The Conversion Franchise chart represents the initial investment for Conversion Franchisees who currently are engaged in the operation of an existing modeling or personal development school or center that will adopt the Center curriculum, Proprietary Marks, and the System If you are a Conversion Franchisee who currently owns 50% or more of the interest in an existing modeling, personal development or acting school or center, located within the Licensed Territory, that has been in continuous operation for at least two years before you enter into the Franchise Agreement, and that will adopt the Center curriculum, the Proprietary Marks and the System, then that chart will apply to you

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase certain products and instructional materials solely from us, including the Professional Modeling Workbook for Women Volumes 1 and 2, the Professional Modeling Workbook for Men, the Professional Modeling Workbook for Preteen, the MSKs and the ASKs During our fiscal year ended December 31, 2017, we derived revenues of $55,591 from franchisee purchases of these materials, which represented 4% of our total revenues of $1,313,009 We estimate that these required purchases will represent 0% to 3% of your total purchases and leases in establishing the Center, and 0% to 8% of your total purchases and leases in operating the Center

You must purchase and sell all products and services (including courses) which we prescribe in the Manuals or otherwise in writing All products and services must conform to our specifications contained in the Manuals We are an approved supplier for some of the products and services that you must purchase for the Center, including student supplies You will have the option of purchasing online portfolios from TMI, which is identified in Item 1 and is owned by our members Jim Gans and Richard Gans Except as described above, none of our officers owns an interest in any companies that are vendors or suppliers to Centers

You must submit samples of all unapproved products, and descriptions of unapproved services to us for our review and approval before you use or sell these products and/or services You are not required to pay a fee to us for our review of any unapproved products There is no limit on the amount of time we may take to approve or disapprove products, however, we typically notify you of our approval or disapproval within 30 days We may describe in the Manuals or in bulletins we issue, the specifications for particular products or services, and the manner for determining approval for the sale of other products or services, or we may provide these to you upon request We will notify you in writing if we modify our standards or revoke our approval of any supplier Other than products and instructional materials you must purchase from us, (as described above) we estimate that your purchase of products and services which must conform to our specifications will represent approximately 1% to 5% of your total purchases and leases in establishing the Center, and 1% to 5% of your total purchases and leases in operating the Center

Before leasing or purchasing the Premises of the Center, you must submit to us a description of the premises and site, in the form we specify, and any other information and materials as we reasonably require, and a letter of intent or other satisfactory evidence which confirms your favorable prospects for obtaining the proposed site You must submit these materials to us for our approval within 30 days after executing the Site Selection Addendum We will have ten days after we receive this information to approve or disapprove the site in our sole discretion No proposed site will be deemed to be approved unless we expressly approve it in writing If you will occupy the Premises under a lease, you must submit a copy of the lease to us for our approval before you sign it We may condition our approval of the lease on the inclusion of the terms and conditions contained in the Site Selection Addendum attached to the Franchise Agreement We estimate that your lease which must conform to our specifications will represent approximately 15% to 20% of your total purchases and leases in establishing the Center, and 12% to 23% of your total purchases and leases in operating the Center

You may not use any advertising or promotional material which you develop without our prior written approval To facilitate approval, you must provide us with a copy of all proposed advertising and promotional material before using it We will notify you of our approval or disapproval within 30 days after the date you submit it to us If we do not notify you of our approval or disapproval within 30 days, the proposed advertising and promotional materials will be deemed approved We, and any of our other franchisees, may use any advertising material which you develop and we approve without any payment to you We estimate that the purchase of this advertising which must conform to our specifications will represent approximately 10% to 15% of your total purchases and leases in establishing the Center and 10% to 15% of your total purchases and leases in operating the Center

You must obtain and maintain at your own expense, before opening for business at the Center, an insurance policy or policies protecting you and us, and our respective officers, employees and agents, against any liability or expense from fire (including extended coverage), personal injury, death, property damage, public liability, products liability or theft occurring upon or in connection with the Premises or your operation of the Center including comprehensive general liability insurance, property and casualty insurance, statutory workers' compensation insurance, employer's liability insurance, product liability insurance, and business interruption insurance The policies must be in the form we specify in the Manuals or otherwise in writing and provide at least the minimum amounts of coverage of $1,000,000 per person, and $2,000,000 per incident We must be named as an additional insured in each of the insurance policies The policy or policies must be written by a responsible carrier licensed to do business in your state and which we find acceptable We estimate that the purchase of this insurance, which must comply with our standards will represent approximately 0% to 1% of your total purchases and leases in establishing the Center and 0% to 1% of your total purchases and leases in operating the Center

We do not have any purchasing or distribution cooperatives We have negotiated purchase arrangements with some suppliers for the benefit of our franchisees These arrangements include services for Internet-based client sales leads, bulk mail and direct mail services, and production of ancillary promotional products for the Center such as logoed clothing and accessories Price and terms for these negotiated arrangements include up to 20% off the supplier's retail prices for such services

We consider a variety of factors when determining whether to renew or grant additional franchises Among the factors we consider is compliance with the requirements described above

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document

Obligation		Section in Agreement	Disclosure Document Item
a	Site Selection and acquisition/lease	Section 3 of Franchise Agreement, Section 5 of the Site Selection Addendum, Lease Rider	Items 8 and 11
b	Pre-opening purchases/leases	Section 6 of Franchise Agreement	Items 5, 7, and 8
c	Site development and pre-opening requirements	Section 6 of Franchise Agreement, Section 4 of Site Selection Addendum	Items 8 and 11
d	Initial and ongoing training	Section 6 of Franchise Agreement	Items 7 and 11
e	Opening	Not applicable	Item 11
f	Fees	Section 2, 5, and 10 of Franchise Agreement, Section 9 of Software License Agreement	Items 5 and 6
g	Compliance with standards and policies/Operating Manual	Sections 1, 5, 6, 8, 9, 11, 12, 13 of Franchise Agreement	Items 8, 11 and 14

Obligation	**Section in Agreement**	**Disclosure Document Item**
h Trademarks and proprietary information	Sections 6, 7, 13, 14 of Franchise Agreement, Section 23 and 24 of Software License Agreement	Items 13 and 14
i Restrictions on products/services offered	Sections 6, 14 of Franchise Agreement	Item 16
j Warranty and customer service requirements	Section 6 of Franchise Agreement	Not applicable
k Territorial development and sales quotas	Not applicable	Not applicable
l Ongoing product/service purchases	Section 6 of Franchise Agreement	Item 8
m Maintenance, appearance and remodeling requirements	Sections 6, 13 of Franchise Agreement, Section 3 of Security Agreement, Section 3 of Satellite Addendum	Item 7
n Insurance	Section 11 of Franchise Agreement, Section 3 of Security Agreement	Items 7 and 8
o Advertising	Sections 5, 6, 10, 12, 13 of Franchise Agreement	Items 6, 7, 8 and 11
p Indemnification	Section 17 of Franchise Agreement	None
q Owner's participation/management/ staffing	Sections 6, 7, 14 of Franchise Agreement, Section 8 of Satellite Addendum	Item 15
r Records/reports	Section 8 of Franchise Agreement, Section 3 of Satellite Addendum	Item 6
s Inspection/audits	Sections 6, 8 of Franchise Agreement	Items 6 and 11
t Transfer	Sections 15, 24 of Franchise Agreement, Section 7 of Satellite Addendum, Section 35(e) of Software License	Item 17

Obligation		Section in Agreement	Disclosure Document Item
		Agreement	
u	Renewal	Section 2 of Franchise Agreement, Section 2 of Satellite Addendum, Section 3 of Guarantee Agreement	Item 17
v	Post-termination obligations	Section 13 of Franchise Agreement, Section 31 of Software License Agreement	Item 17
w	Non-competition covenants	Sections 7 and 14 of Franchise Agreement	Item 17
x	Dispute resolution	Section 19 of Franchise Agreement	Item 17
y	Taxes/permits	Sections 6, 16 of Franchise Agreement, Section 11 of Software License Agreement	Item 1
z	Personal Guarantee	Guarantee Agreement	Item 15
aa	Security Interest	Section 28 of Franchise Agreement, Security Agreement	Item 15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation

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

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

Pre-Opening Obligations

Before you open the Center, we will provide the following assistance and services to you

1 Provide site selection assistance as follows

a We will furnish you with the site selection guidelines and consultation that we deem advisable

b We may provide on-site evaluation as we deem advisable as part of our evaluation of your request for site approval We are not obligated to provide on-site evaluation of any proposed site, but if we offer to do so, we must first receive from you all of the information and materials described in the Site Selection Addendum (Franchise Agreement Section 3 1, Site Selection Addendum Section 5)

2 Upon your request, we will assist you in identifying the requirements to perform your obligations to obtain the required government and governmental agency approval of the Premises and the curriculum (including contracts or other instruments to be signed by students) and we will recommend the means to obtain required licenses and approvals (Franchise Agreement Section 3 2)

3 We will provide a training program, as described below, for you and the key personnel that we designate, at a training seminar to be held, at our discretion, in Chesterfield, Missouri, at a designated Center, at your Center, or any other location we may specify (Franchise Agreement Section 3 3)

4 Within 30 days after we sign the Franchise Agreement, we will provide you with advertising and promotional material including (a) radio scripts, (b) videos, (c) samples of advertising and promotional materials, (d) sample display ads to be used for print and internet advertising, and (e) our guide to pre-opening promotions We will also provide you with information about our current internet advertising and promotions You will be responsible for the contracting, placement, and payment for pre-opening advertising and promotional materials, including the cost of production and distribution of printed materials We will also make available to you for purchase, additional proprietary marketing materials and systems for your use in local marketing and advertising efforts (Franchise Agreement Section 3 6)

5 Within 30 days after we sign the Franchise Agreement, we will provide you with access to one copy of the Manuals for use with the curriculum as further described below (Franchise Agreement Section 3 8)

Continuing Obligations

During your operation of the Center, the Franchise Agreement requires us to provide the following assistance and services to you

1 We will make available for your purchase, the products and/or the names of suppliers of products for resale from the Center in the regular course of your business (Franchise Agreement Section 3 4)

2 We will periodically suggest to you, upon your request, prices and terms of purchase for the courses, products, and services which you offer The prices and terms are suggestions only and you are free to depart from them (Franchise Agreement Section 3 5)

3 Our personnel may periodically visit your Premises to review operating procedures and counsel you in the operation of the Center Our personnel will be available for the extraordinary consultation and assistance that we determine is necessary in our sole discretion, and at our expense (Franchise Agreement Section 3 7)

* * *

Advertising

Each month you and all other franchisees must contribute 3% of your monthly Gross Income to the IME Co-Op Advertising Fund (the "**Advertising Fund**") which we have established You are not required to participate in any local or regional advertising cooperatives The Advertising Fund is primarily used to develop and maintain our website and lead generation from our website, create and purchase print and Internet ads, radio and/or television spots, which may be local, regional, or national in scope We have an in-house advertising department, and several external resources, which oversee the production of our advertising materials You may not use your own advertising or promotional materials without our prior written approval To obtain our approval, you must provide us a copy of all proposed advertising and promotional material before using it We will notify you of our approval or disapproval within 30 days after you submit these materials to us If you do not receive our approval or disapproval within 30 days, the materials will be deemed approved We and our other franchisees may use any advertising material which you develop and which we approve without any payment to you

We administer the Advertising Fund Neither we, nor any of our designees, undertakes any obligation to make expenditures for you that are equivalent or proportionate to your contributions, or to ensure that you benefit directly or proportionately from the placement of advertising We do not directly operate Centers and, therefore, we do not contribute to the Advertising Fund The Affiliated Centers, however, will contribute to the Advertising Fund During our fiscal year ended December 31, 2017, the Advertising Fund amounts were used as follows (all figures approximate)

85% Internet (Website) Expenses
15% General and Administrative Expenses

If we do not spend all advertising fees in the fiscal year in which they accrue, we will apply the remaining balance to the following year We do not spend any money from the Advertising Fund on solicitation for the sale of our franchises We have the right to charge the Advertising Fund for such reasonable administrative costs and overhead as we may incur in activities reasonably related to the direction and implementation of the Advertising Fund and advertising programs for franchisees and the System, including, without limitation, costs of personnel for creating and implementing, advertising, merchandising, promotional and marketing programs The Advertising Fund and its earnings do not otherwise inure to our benefit We or our designee will maintain separate bookkeeping accounts for the Advertising Fund Upon request, we will provide you with an unaudited year-end report and accounting of the Advertising Fund's expenditures during the previous fiscal year

We appoint franchisees to our National Co-Op Advisory Board (the "**Advisory Board**") Currently, the Advisory Board is composed of five members two franchisees, two of our partners in an affiliate-owned Center, and a representative of ours The Advisory Board gives us input and ideas for our advertising campaigns The Advisory Board serves in an advisory capacity only The Advisory Board operates according to its bylaws We have the power to change or dissolve the Advisory Board at any time

* * *

Any Online Site (as defined below) will be deemed "advertising" under the Franchise Agreement, and will be subject to (among other things) our approval "The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social media and social networking sites (e g , Facebook, Twitter, LinkedIn, You Tube, Google Plus, Pinterest, Instagram, Snap Chat, etc), blogs, vlogs, applications to be installed on mobile devices (e g , mobile phone or tablet apps), and other applications, etc , and that refers to the Center, Proprietary Marks, the Products, us, and/or the System In connection with any Online Site, you agree to the following

1 Before establishing the Online Site, you must submit to us a sample of the Online Site format and information in the form and manner we may reasonably require

2 You may not establish the Online Site without our prior written approval You must not use or modify any Online Site without our prior written approval as to such proposed use or modification

3 Any Online Site that we approve (as well as any that you create or have created for you without our approval) is and will be our property, and upon expiration or termination of the Franchise Agreement, you must assign to us the administrative control, log-in and password information for all such Online Sites, so that we may take control over those Online Sites We will own the website Uniform Resource Locator ("**URL**") for any Online Site you establish and operate in connection with the Center

4 In addition to any other applicable requirements, you must comply with our standards and specifications for Online Sites as prescribed by us in the Manuals or otherwise in writing If required by us, you must establish your Online Site as part of our Online Site and/or establish electronic links to our Online Site

5 We may require you to make us the sole administrator (or co-administrator) of any social networking pages that you maintain or that are maintained on your behalf (Franchise Agreement, Section 6 5)

Computer Systems and Electronic Communication

We reserve the right to specify or require that you purchase certain brands, types, makes, and/or models of communications, computer systems, computer software, voice communication equipment and providers and hardware, including (a) a point of sale management and marketing system, data, audio, video, and voice storage, retrieval, and transmission systems for use at the

Center, (b) electronic cash registers, (c) printers, scanners and other peripheral devices, and (d) internet access mode and speed (collectively, the "**Computer System**") Although you are required to have a Computer System, we do not currently (but may in the future) specify the specific hardware and software components for the Computer System We estimate the cost of purchasing a Computer System to be approximately $4,000 In connection with the Computer System

1 We will have the right, but not the obligation, to develop or have developed for us, or to designate (a) computer software programs and accounting system software that you must use in connection with the Computer System ("**Required Software**"), which you must install, (b) updates, supplements, modifications, or enhancements to the Required Software, which you must install, (c) the tangible media upon which you must record data, and (d) the database file structure of the Computer System

2 You must install and use both the Computer System and any Required Software At this time, you are required to enter into the Software License Agreement (described above in Items 5 and 6) for use of the LMS and JCSA software

3 You must implement and periodically make upgrades and other changes to the Computer System and Required Software as we may reasonably request in writing (collectively, "**Computer Upgrades**") Although there are no contractual limits on the frequency or cost of your obligations to obtain Computer Upgrades, we estimate that periodical Computer Upgrades will average annually about $500

4 You must provide us with unimpeded access to the Computer System and Required Software in the manner, form, and at the times we may request We will have independent access to the Computer System and we will have the right at any time to retrieve and use data and information from the Computer System and Required Software that we deem necessary or desirable In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other to the greatest practical extent, you agree to comply with our standards and specifications for all items associated with the Computer System and Required Software, and with respect to Computer Upgrades, and to otherwise operate the Computer System under our standards and specifications

The exchange of information with us and others by e-mail is an important way to enable quick, effective, and efficient communication You must at all times during the term of the Franchise Agreement maintain a valid e-mail address to which Internet or other customer leads may be sent You must inform us of all e-mail address(es) you maintain in connection with the Center, and must notify us of any changes to these addresses We reserve the right to require you to use our domain name and/or email address for all electronic communications associated with the operation of the Center As noted in Item 6 above, we reserve the right to charge you a fee for this use

Manuals

The tables of contents from our Manuals are attached to this disclosure document as Exhibit J The total number of pages included in the Manuals is 654

Site Selection

When you enter into the Franchise Agreement, if you do not have a location for the Center, you must sign the Site Selection Addendum attached to the Franchise Agreement as Exhibit B Under the terms of the Site Selection Addendum, you will have 90 days within which to lease, sublease or acquire a site for the Center, subject to our approval according to our site selection guidelines You must submit to us at least one location for approval within the first 45 days of signing the Site Selection Addendum

In the Site Selection Addendum attached to the Franchise Agreement, we will specify a territory in which you must locate a site for the Center (the "**Site Selection Territory**") Our procedures for reviewing your proposed site are described in Item 8 of this disclosure document When reviewing your proposed site, we consider the quality of location in malls, strip shopping centers, downtown and suburban office areas, including the amount of traffic, visibility, safety, parking, accessibility, space, build-out factors, and rental factors We will have ten days once you have submitted all of the required information to approve or disapprove the site in our sole discretion If we are unable to agree upon a proposed site, we may terminate the Franchise Agreement

Once authorized, the site for the Center will be the "**Premises** " You must then sign a lease or a binding agreement to purchase the site Our approval of any lease will be conditioned upon inclusion in the lease of our "**Lease Rider**," a copy of which is attached to the Franchise Agreement as Exhibit D, as well as other terms and conditions further described in the Franchise Agreement (Franchise Agreement, Section 6 2) We are not responsible for review of the lease for any terms other than those contained in the Lease Rider and required under the Franchise Agreement

We estimate that the typical length of time between signing the Franchise Agreement and opening the Center will range from four months to one year Factors which may affect this time period include your ability to obtain a lease, financing and building permits, constructing the site with leasehold improvements, any applicable governmental permits (note, in particular, those mentioned in Item 1 under "Industry-Specific Regulations"), zoning and local ordinance, weather conditions, shortages, and installation of equipment, fixtures, and signs

Training

Within three months after the date of the Franchise Agreement, or at such later date as we may permit, you (or if you are a corporation or partnership, one of your principals acceptable to us) and your key personnel (including those of your management employees and others we may designate as requiring training) must attend and complete to our satisfaction the initial training program we offer We will conduct our initial training program as follows

TRAINING PROGRAM

Subject	Number of Hours of Classroom Training	Number of Hours of On-The-Job Training	Location
Pre-Opening of Center	2 5	0	Chesterfield, MO, or at a Center of our choosing (including your Center), or by telephone and/or 'net meeting'
Financial/Accounting	2 5	2 5	"
Furniture/Equipment	2 5	0	"
Staffing	4 0	6 0	"
Prospective Student/Admissions	8 0	16 0	"
Scheduling	3 0	3 0	"
Classroom Procedures	3 0	6 0	"
Advertising/Marketing	3 0	3 0	"
JCSA (Software)	24 0	16 0	"
MTM Agency	2 5	2 5	"
TOTAL HOURS	**52 5**	**55**	

Note· For JCSA (Software) training, classroom training hours are devoted to "Introduction To JCSA Applications," and on-the-job training hours are devoted to "Roll Out Support For JCSA On Center's 'Live' Site "

Several individuals will supervise and provide instruction during our initial training program, including James Gans, our President, Richard Gans, our Executive Vice President, Mark Rothstein, our Controller, Jeanne Diliberto, our Director of Operations, Patrick Ames Foley, our Chief Information Officer, and other experienced Center operators We have described the experience of Messrs Gans, Mr Rothstein, Ms Diliberto and Mr Foley in Item 2 of this disclosure document, but each have more than 25 years of experience with the subjects taught in the initial training program and with the operation of Centers Our initial training program will take place at our corporate offices in Chesterfield, Missouri, at a Center of our choosing, or by telephone and/or "net meeting," unless you are a Conversion Franchisee, in which case we will train you at your location All training for Conversion Franchisees will be conducted by Ms Diliberto, and there are no other differences concerning our training obligations in regard to either a conversion or a standard franchise We will offer the initial training program within three months of whenever any new Franchisee signs a Franchise Agreement, unless this period of time is extended by mutual agreement The training program consists of training your sales, administrative, and teaching staff by our representatives The training covers all phases of the operation of a Center, including administration, advertising, personnel, and management Our training materials include the Manuals, visual materials, handouts, and curriculum reference books

You and the key personnel we specify also must attend additional courses, seminars, and training programs that we reasonably require from time to time For all required initial and additional training courses, we will provide, at no charge to you, instructors and training materials You and your employees will be responsible for all other expenses which they incur in connection with the courses, including the cost of transportation, lodging, meals, and wages

All franchisees are required to attend our periodic designated meetings of franchisees in the System, at the location(s) we may specify These meetings take place periodically and will not be held more frequently than once each year You will be responsible for any and all expenses incurred in attending these meetings, including the cost of transportation, lodging, meals, and wages

ITEM 12
TERRITORY

You will have the right to operate the Center within the Licensed Territory defined in the Franchise Agreement and subject to the terms and conditions contained in the Franchise Agreement The Center is to be operated in a specific location that we must approve You may not relocate the Center without our prior approval, which we will grant upon the demonstration of a reasonable need to relocate the Center Although there is no minimum territory that you may be granted, a typical Licensed Territory is made up of all or part of one or more counties or cities with a population of at least 500,000 and usually not more than 2,000,000 The Licensed Territory is exclusive This means that, during the term of the Franchise Agreement, we will not establish or operate, nor license another person to establish or operate, a Center within the Licensed Territory

Your exclusivity within the Licensed Territory is subject to some important limitations and exceptions, which include our right to

1 Establish and operate, and license others to establish and operate, businesses using the Proprietary Marks and System outside the Licensed Territory,

2 Establish and operate anywhere, or license others to establish and operate anywhere, businesses that are not operated under the System and that do not use the Proprietary Marks, even if those businesses offer or sell products or services that are the same as or similar to the products or services offered from your Center, whether those businesses are located inside or outside the Licensed Territory, regardless of those businesses' proximity to the Center or their actual or threatened impact on sales at your Center,

3 Acquire and operate any business or store of any kind, whether located within or outside the Licensed Territory regardless of that business' or store's proximity to the Center or its actual or threatened impact on sales at your Center, and

4 Sell or distribute, directly or indirectly, or license others to sell or distribute, any products and services which bear any proprietary marks, including the Proprietary Marks, from any location or to any purchaser (including sales made at retail locations, by mail order, and on the Internet), so long as these sales are not conducted from a Center operated from a location inside the Licensed Territory We (and/or our affiliates) are not required to compensate you if we (or they) make such sales within your Territory

You may only solicit or conduct franchise-related activities in your Licensed Territory You may not send agents or employees into the licensed territories of other franchisees for the purpose of conducting model searches or promotions You must not directly solicit, advertise, or conduct promotional activities (including direct marketing, telemarketing and on-line marketing) outside the Licensed Territory without our approval Although, by their nature, certain indirect advertising activities that you conduct (including advertising conducted over the Internet) may not be limited to the Licensed Territory, you must not conduct these activities with the intent to solicit customers located outside the Licensed Territory Regardless of where customers may be solicited, all Centers may sell services and products to customers without consideration to the customers' geographic residence or location, and including customers residing or located in a licensed territory of another of our franchisees

We may grant you the right to operate a Satellite Office within the Licensed Territory Our approval will depend upon your performance and compliance with the terms of the Franchise Agreement The Franchise Agreement grants you no other options, rights of first refusal or similar rights to acquire additional franchises within the Licensed Territory

Your territorial protection does not depend on the achievement of certain sales volume, market penetration, or other contingency There are no other circumstances under which we may reduce your territorial rights We may allow you to expand the Licensed Territory by purchasing additional territory or an additional franchise

Site Selection Addendum

As described in Item 11 above, if you do not have an approved site for the Center before you sign the Franchise Agreement, you will enter into a Site Selection Addendum with us, and we will grant you a Site Selection Territory within which you may search for a location The Site Selection Territory is granted only for the purpose of selecting the Premises for the Center We will not establish, nor franchise another to establish, a Center operating under the System within the Site Selection Territory until we approve of the Premises for the Center, or until the search period in the Site Selection Addendum expires, whichever happens first The Licensed Territory for the Center will be determined once you select and we have approved the Premises for the Center

ITEM 13
TRADEMARKS

The Franchise Agreement will grant you the right to use the Proprietary Marks Under the terms of the Franchise Agreement, you may not use the Proprietary Marks as part of your corporate or other legal name

MMI has registered the following service marks on the Principal Register of the United States Patent and Trademark Office

Mark	Date of Registration	Number
JOHN CASABLANCAS (Educational services)	August 6, 2002	2,604,051
JOHN CASABLANCAS (Model agency services)	January 22, 1985	1,316,034

MMI has filed all required affidavits and renewals for the above marks MMI has granted us a perpetual, royalty-free license, dated March 4, 2004, to use, and to license others to use, the Proprietary Marks

There are no currently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state, or any court, nor is there any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks which may be relevant to their use in this state or in any other state

There are no agreements currently in effect which limit our right to use or to license others to use the Proprietary Marks

You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Proprietary Marks We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement We have the right, but not the obligation, to take action against the use by others that may constitute infringement of the Proprietary Marks You must fully cooperate with us in the defense of any of these claims

We do not know of any infringing uses that could materially affect your use of the Proprietary Marks in this state or elsewhere

We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it at our sole discretion You must modify your signs and advertising materials, at your own expense, to conform them to our new Proprietary Marks

ITEM 14
PATENT, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patent and Copyrights

We do not own any right in or to any patents or registered copyrights that are material to the franchise We also do not have any pending patent applications that are material to the franchise However, we claim common law copyright protection for the Manuals and other written materials We also claim proprietary rights in the confidential information and trade secrets contained in the Manuals

Manuals

You must conduct your franchise operations in strict accordance with the curriculum and the Manuals You must treat the Manuals at all times as confidential, and must not copy, disclose, record, modify, or otherwise reproduce, in whole or in part, the Manuals or make the Manuals available to any unauthorized persons

The Manuals must at all times remain our sole property, and the Manuals and all copies of the Manuals must be promptly returned to us upon request We may, from time to time, update, modify, amend and revise the contents of any or all Manuals and may issue administrative bulletins which amend or supplement the Manuals or describe the standards, rules and regulations essential to the establishment and operation of the Center You will be required to modify or amend your franchise operations according to the revised or updated Manuals at your expense immediately upon notification of any modifications, amendments or revisions

You must follow our rules when you use the Proprietary Marks You cannot use any of the Proprietary Marks as part of your corporate name You may not use the Proprietary Marks to sell an unauthorized product or service or in a manner not authorized in writing by us

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

We do not require you to provide direct, on-premises supervision of the Center However, during the term of the Franchise Agreement, you (or, if you are a corporation or partnership, your principal or general partner) or your fully-trained director must devote full-time and best efforts to the development and proper operation of the Center If you are an individual, we strongly recommend that you provide direct, on-premises supervision

Upon our request, you must obtain trade secret agreements from your director and the other employees we designate If you are a corporation, all shareholders owning 30% or more of your capital stock or rights to acquire your capital stock must sign a personal guarantee to pay and perform your obligations if you do not do so We do not require your director to have an equity interest in your business

At our request, you must obtain and furnish to us confidentiality and non-competition covenants from any or all of the following persons (a) all of your directors/managers and any other personnel employed by you who have received or will receive training from us, (b) all officers, directors, members, and holders of a beneficial interest of 10% or more of your securities or interests, and of any corporation directly or indirectly controlling, controlled by, or under common control with, you, if you are a corporation or limited liability company, (c) the general partners and any limited partners (including any corporation, and the officers, directors, and holders of a beneficial interest of 10% or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership

We will have the right to hold a security interest in your present and future accounts, inventory, equipment, intangibles (i e , trademarks), proceeds, and interest in the Franchise Agreement At our discretion, we will file a Form UCC-1 upon execution of the Franchise Agreement, and you must sign any and all documents and do such acts and things as may, in our opinion (or our counsel) be necessary to carry out these filings A copy of the Security Agreement has been attached to this disclosure document as Exhibit C

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must purchase and sell all products and services (including courses) which we prescribe in the Manuals or otherwise in writing You may only sell products and services which we have approved in advance (See Item 8) We retain the right to change, at any time, the types of goods and services you are authorized to sell There are no limits on our right to make these changes If you are a Conversion Franchisee, you may continue to sell those goods and services you were offering in your business before execution of the Franchise Agreement only with our prior written approval

You may only solicit and conduct franchise-related activities within your Licensed Territory You must not send agents or employees into licensed territories of other franchisees to conduct model searches or promotions You must not advertise or conduct promotional activities outside your Licensed Territory without our prior written approval Otherwise, we do not impose any restrictions or conditions that limit your access to customers

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 disclosure document

Provision		Section in Agreement	Summary
a	Length of the franchise term	Section 2 of Franchise Agreement	10 years
b	Renewal or extension of the term	Section 2 of Franchise Agreement	1 renewal term of 10 years, subject to contractual requirements
c	Requirements for you to renew or extend	Section 2 of Franchise Agreement	Notice, satisfaction of monetary obligations, compliance with all agreements, sign new Franchise

Provision		Section in Agreement	Summary
			Agreement and general release (see Exhibit L) If you seek to renew your franchise at the expiration of the initial term, you will be asked to sign a new franchise agreement that may contain terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements
d	Termination by you	Not applicable	
e	Termination by us without cause	Not applicable	
f	Termination by us with cause	Section 12 of Franchise Agreement, Section 6 of Satellite Addendum Section 30 of Software License Agreement	Breach of Franchise Agreement, including bankruptcy or insolvency of franchisee or franchised business, failure to cure any default within 30 days of notice, failure to pay required fees, and others, see Section 12 Breach of Addendum constitute breach of Franchise Agreement, see Section 6 Breach of Software License Agreement, see Section 30
g	"Cause" defined-curable defaults	Section 12 of Franchise Agreement Section 6 of Satellite Addendum	You will have 30 days after receipt of written notice to cure any default except for defaults provided for in Sections 12 2 and 12 3, see Section 12 Breach of Addendum constitutes breach of Franchise Agreement,

Provision		Section in Agreement	Summary
			see Section 6
h	"Cause" defined – non-curable defaults	Section 12 of Franchise Agreement, Section 6 of Satellite Addendum	We can terminate the Franchise Agreement if you or the franchised business become insolvent, repeatedly engage in conduct that reflect unfavorably on system, repeatedly fails to comply with any terms, conditions, and covenants of the Franchise Agreement, and others, see Section 12
i	Your obligations on termination/ nonrenewal	Section 13 of Franchise Agreement Section 31 of Software License Agreement	Obligations include complete de-identification and payment of amounts due, discontinue use of Online Site, return Manuals, and transfer of franchisee's customer information, see Section 13 Cease to use the services provided under the Software License Agreement, and others, see Section 31
j	Assignment of contract by us	Section 15 of Franchise Agreement	No restriction on right to transfer
k	"Transfer" by you-defined	Section 15 of Franchise Agreement	Includes transfer, assignment, shared or divided, pledged, encumbered, voluntarily or involuntarily, by operation of law or other reason of interest in Franchise Agreement, in Franchisee, or all or significant portion of the assets of your business
l	Our approval of transfer by you	Section 15 of Franchise Agreement, Section 35(e) of Software	We have the rights to approve transfers

Provision		Section in Agreement	Summary
		License Agreement	
m	Conditions of our approval of transfer	Section 15 of Franchise Agreement	Includes notice, submit all documents, give State Dept of Education and/or Dept of Labor notice, if applicable (approval is contingent upon license transfer), provide assignee information, assignee receives license/permits, assignee meets all assignee qualifications, execution of release (see Exhibit L), lease assignment, execution of new agreement or assignment, and payment of transfer fee
n	Our right of first refusal to acquire your business	Section 15 of Franchise Agreement	We can match any offer
o	Our option to purchase your business	Section 13 of Franchise Agreement	Upon expiration or termination, we can buy certain assets
p	Your death or disability	Section 15 of Franchise Agreement	Heirs must apply for right to continue operations, and if rejected, will have 90 days to transfer interest
q	Non-competition covenants during the term of the franchise	Section 14 of Franchise Agreement	Includes prohibition on communication of information, knowledge, or trade secrets of system Requires written consent to (i) conduct other business on the premises or to conduct business under a different mark; (ii) engage in any activities related to model training and placement, (iii) engage in the operation of a modeling school or similar business within or outside of the Licensed Territory

Provision	Section in Agreement	Summary
r Non-Competition covenants after the franchise is terminated or expires	Section 14 of Franchise Agreement	Includes prohibition for a period of two years after termination on engaging in the operation of any modeling school, modeling or talent management agency, or similar business, a) within the Licensed Territory, and b) within a 50 mile radius of any existing franchise
s Modification of the agreement	Section 21 of Franchise Agreement	Must be in writing by both parties
t Integration/merger clause	Section 21 of Franchise Agreement	Only the terms of the Franchise Agreement and other related written agreements are binding Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable
u Dispute resolution by arbitration or mediation	Section 19 of Franchise Agreement	All disputes (other than those subject to injunctive relief) must be submitted to mediation before litigation
v Choice of forum	Section 23 of Franchise Agreement	Missouri
w Choice of law	Section 23 of Franchise Agreement, Section 35(g) of Software License Agreement	Missouri

Please refer to the disclosure addenda and contractual amendments appended to this disclosure document, at Exhibit M, for additional terms that may be required under applicable state law

ITEM 18
PUBLIC FIGURES

John Casablancas, a well-known model manager who is now deceased, agreed under an agreement with us to allow us to use his name in connection with the operation of our business Mr Casablancas helped found a predecessor of MMI, Model Merchandising International Ltd , and was an officer and director of J C Model Management Corp , MMI's corporate general partner Mr Casablancas participated in promotional films and advertising programs which are available to franchisees Mr Casablancas did not manage or own an interest in us

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

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 Mr James Gans at 648 Trade Center Blvd , Chesterfield, MO 63005, (636) 536-6100, the Federal Trade Commission, and the appropriate state regulatory agencies

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
System-wide Center Summary For Years 2015 to 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	9	7	-2
	2016	7	8	+1
	2017	8	9	+1
Company-Owned	2015	16	17	+1
	2016	17	16	-1
	2017	16	15	-1
Total Outlets	2015	25	24	-1
	2016	24	24	0
	2017	24	24	0

Table 2
Transfers of Centers from Franchisees to New Owners (other than Franchisor)
For Years 2015-2017

State	Year	Number of Transfers
Any State	2015	0
	2016	0
	2017	0
TOTAL	2015	0
	2016	0
	2017	0

Table 3
Status of Franchised Centers for Years 2015-2017

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
California	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	1	0	0	0	0	1	1
Connecticut	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Florida	2015	2	0	0	0	0	1	1
	2016	1	0	0	0	0	1	0
	2017	0	1	0	0	0	0	1
Illinois	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Indiana	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Michigan	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Ohio	2015	3	0	0	0	0	1	2
	2016	3	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Totals	**2015**	**9**	**0**	**0**	**0**	**0**	**2**	**7**
	2016	**7**	**1**	**0**	**0**	**0**	**0**	**8**
	2017	**8**	**2**	**0**	**0**	**0**	**1**	**9**

Notes

1) All numbers are as of December 31 for each year

2) We also have franchises in the following countries one in Canada, one in the Dominican Republic, and one in Indonesia

Table 4
Status of Affiliate Owned Centers for Years 2015-2017

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Ariz	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Cal	2015	1	0	0	0	0	1
	2016	1	0	0	1	0	0
	2017	0	0	0	0	0	0
Colo	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Florida	2015	0	0	0	0	0	0
	2016	0	1	0	0	0	1
	2017	1	1	0	0	0	2
Georgia	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Maryland	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Massachusetts	2015	1	0	0	0	0	1
	2016	1	0	0	1	0	0
	2017	0	0	0	0	0	0
Minnesota	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
North Carolina	2015	2	0	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	0	0	0	2
Ohio	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Oklahoma	2015	2	0	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	0	1	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Pennsylvania	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Tennessee	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Texas	2015	2	0	0	0	0	2
	2016	2	0	0	0	0	2
	2017	2	0	0	0	0	2
Wis	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Totals	2015	**15**	**2**	**0**	**1**	**0**	**17**
	2016	**17**	**1**	**0**	**2**	**0**	**16**
	2017	**16**	**1**	**0**	**2**	**0**	**15**

Notes

1) As described in Item 1, our members, James Gans and Richard Gans, are owners of 15 Centers collectively referred to as the "Affiliated Centers"

2) A franchisee has a partial non-controlling interest in the Affiliated Centers operated in Tampa, Florida, Raleigh, North Carolina, Houston, Texas, Cincinnati, Ohio, Orlando, Florida, and Carrollton, Texas These franchisees are identified in Exhibit E

Table 5
Projected Center Openings as of December 31, 2017 for 2018

State	Franchise Agreements Signed But Center Not Opened	Projected New Franchised Centers in the Next Fiscal Year	Projected New Company – Owned Centers In the Next Fiscal Year
Virginia	0	0	1
Total	**0**	**0**	**1**

The names, addresses, and telephone numbers of our franchisees and Affiliated Centers as of December 31, 2017 are listed in Exhibit E The name, city and state, and current business telephone number or last known home telephone number of every franchisee who has had a Center terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the 12-month period ending December 31, 2017 or who has not communicated with us within 10 weeks of the date of this Disclosure Document is attached to this Disclosure Document as Exhibit E If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

No franchisees have signed a confidentiality clause in a franchise agreement, settlement or other contract within the last three years that would restrict their ability to speak openly about their experience with us

As of the date of this franchise disclosure document, there are no Image Marketing Enterprises franchisee associations in existence regardless of whether they use our trademark or not

ITEM 21
FINANCIAL STATEMENTS

The financial statements listed below are attached to this disclosure document as Exhibit H in the following order

Audited financial statements for the years ended December 31, 2017, December 31, 2016, and December 31, 2015

ITEM 22
CONTRACTS

The following contracts are attached to this disclosure document in the following order

Exhibit	Contract
A	Franchise Agreement (including exhibits)
B	Satellite Addendum
C	Security Agreement
D	Guarantee Agreement
K	Software License Agreement
L	General Release

ITEM 23
RECEIPTS

The last two pages of this disclosure document are identical pages acknowledging receipt of this entire document (including the exhibits) Please sign and return to us one copy, please keep the other copy along with this disclosure document

EXHIBIT A

FRANCHISE AGREEMENT

IMAGE MARKETING ENTERPRISES, L L C

FRANCHISE AGREEMENT

IMAGE MARKETING ENTERPRISES, L L C.

FRANCHISE AGREEMENT

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IMAGE MARKETING ENTERPRISES, L L C

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("**Agreement**") is made this ______ day of __________ 201__, by and between IMAGE MARKETING ENTERPRISES, L L C , a Missouri limited liability company, located at 648 Trade Center Boulevard, Chesterfield, Missouri 63005 ("**Franchisor**") and

____,
having its principal place of business at ______________________________,
("**Franchisee**") and, in the case of a corporate Franchisee, the shareholder(s) executing this Agreement

WITNESSETH

WHEREAS, Franchisor has expended considerable time, effort and money in the creation and development of a curriculum and teaching method under the name "JOHN CASABLANCAS CENTERS," and a modeling agency under the name "MODEL & TALENT MANAGEMENT AGENCY",

WHEREAS, Franchisor has developed a system consisting of certain procedures and methods of operation, merchandising, promotion and quality control for the operation of JOHN CASABLANCAS CENTERS and MODEL & TALENT MANAGEMENT AGENCY (collectively, the "**Center**" or "**Centers**"), which system includes a standardized, comprehensive manner of operating the Centers (the "**System**"),

WHEREAS, Franchisor is the sole and exclusive owner of the curriculum, teaching method and System, and the entire right, title and interest thereto, together with all goodwill connected therewith, and in and to the trademark and service mark "JOHN CASABLANCAS," and such other names and marks as are designated by Franchisor from time to time in writing (the "**Proprietary Marks**") for schools of modeling and personal development, modeling conventions, agency, symposiums and similar services,

WHEREAS, Franchisee desires to obtain from Franchisor a license to operate a franchised Center, thereby obtaining the benefits of the unique curriculum, teaching method and System developed by Franchisor and the right to engage in and do business under the mark "JOHN CASABLANCAS", and

WHEREAS, Franchisee recognizes the importance to Franchisor, Franchisor's other franchisees, and to the public of maintaining the distinctive standards, quality and attributes identified with the mark "JOHN CASABLANCAS" and is willing to maintain those standards, qualities and attributes

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, the parties hereto, intending to be legally bound, agree as follows

1. GRANT

1 1 Franchisor hereby grants to Franchisee, and Franchisee hereby accepts a license, without the right to sub-license, to own and operate one (1) franchised Center within the area described on Exhibit A attached hereto (the "**Licensed Territory**") subject to the terms and conditions contained in this Agreement Franchisee shall have a license to use, in connection with the Center, the Proprietary Marks, logos, designs for signs, emblems, and color schemes of Franchisor, Franchisor's Confidential Operating Manuals (including curriculum, marketing, sales, promotion and other manuals) and various audio and audio visual materials, each of which may be made available to Franchisee in paper or electronic (e g , on the Internet) format (collectively, the "**Manuals**"), Franchisor's curriculum, as may be amended from time to time, Franchisor's lead management system and school administration computer programs, and such methods, know-how and other confidential and valuable information as may exist or be developed by Franchisor from time to time

1 2 Franchisee shall operate only from the address and location within the Licensed Territory identified in Exhibit A hereto (the "**Premises**") If, at the time of execution of this Agreement, Franchisee has not yet obtained (and Franchisor has not yet approved) a location for the Center, then Franchisee agrees to enter into the site selection addendum (the "**Site Selection Addendum**," attached as Exhibit B to this Agreement) at the same time as when Franchisee signs this Agreement Franchisee will then find a site and, after Franchisor has given Franchisee written approval for that site, Franchisee will obtain the right to occupy the premises (by lease, sublease, or acquisition of the property), also subject to Franchisor's prior written approval, and all in accordance with the Site Selection Addendum Franchisee shall not relocate the Center without Franchisor's prior written approval

1 3 Except as otherwise provided herein, during the term of this Agreement, Franchisor shall not establish or operate, nor license another person to establish or operate, a Center within the Licensed Territory Franchisor retains all other rights, including the right, among others, to

1 3 1 Establish and operate, and license others to establish and operate, Centers or businesses using the Proprietary Marks and System outside the Licensed Territory,

1 3 2 Establish and operate anywhere, or license others to establish and operate anywhere, businesses that are not operated under the System and that do not use the Proprietary Marks, even if those businesses offer or sell products or services that are the same as or similar to the products or services offered from the Center, whether those businesses are located inside or outside the Licensed Territory, notwithstanding such businesses' proximity to the Premises or their actual or threatened impact on sales at Franchisee's Center,

1 3 3 Acquire and operate any business or store of any kind, whether located within or outside the Licensed Territory notwithstanding such business' or store's proximity to the Premises or its actual or threatened impact on sales at Franchisee's Center, and

1 3 4 Sell or distribute, directly or indirectly, or license others to sell or distribute, any products and services which bear any proprietary marks, including the Proprietary Marks, from any location or to any purchaser (including, but not limited to, sales made at retail

locations, by mail order, and on the Internet), so long as such sales are not conducted from a Center operated from a location inside the Licensed Territory

1 4 Franchisee shall only solicit or conduct franchise-related activities at or from the Center, and within Franchisee's Licensed Territory Franchisee shall not send agents or employees into the licensed territories of other franchisees for the purpose of conducting model searches or promotions Franchisee shall not directly solicit, advertise, or conduct promotional activities (including, but not limited to, direct marketing, telemarketing and on-line marketing) outside the Licensed Territory without Franchisor's prior written approval Franchisor and Franchisee acknowledge that, by their nature, certain indirect advertising activities conducted by Franchisee (including, without limitation, advertising via the Internet) may not be limited to the Licensed Territory, but Franchisee agrees that it shall not conduct such activities with the intent to solicit customers located outside the Licensed Territory Notwithstanding the foregoing, Franchisee expressly acknowledges that all Centers (regardless of whether owned by Franchisor or other franchisees) may sell services and products to customers without regard to the customers' geographic residence or location, and including customers residing or located in a licensed territory of another franchisee of Franchisor

1 5 Franchisee is either establishing a Standard Franchise, Conversion Franchise, or Additional Franchise pursuant to this Agreement, as described in Exhibit A hereto For purposes of this Agreement, the terms "**Standard Franchise**," "**Conversion Franchise**," and "**Additional Franchise**" shall have the meanings set forth below

1 5 1 **<u>Standard Franchise</u>** A license to operate a Center that is granted to individuals, corporations, or partnerships who do not already operate an existing modeling, personal development or acting school or center located in the Licensed Territory, and who typically have had little or no experience in the operation of a modeling or personal development school

1 5 2 **<u>Conversion Franchise</u>** A license to operate a Center that is granted to individuals, corporations, or partnerships who currently own fifty percent (50%) or greater of the equity ownership interest in an existing modeling, personal development or acting school or center, located in the Licensed Territory, that has been in continuous operation for two (2) or more years prior to the date of this Agreement, and that will adopt the Center curriculum, the Proprietary Marks and the System at that existing school or center By the execution of this Agreement, Franchisee (and in the case of a corporate Franchisee, each principal shareholder thereof) warrants and represents to Franchisor that the execution of this Agreement and the operation of the Center will not constitute a violation of any other contractual obligation of Franchisee

1 5 3 **<u>Additional Franchise</u>** A license to operate a Center that is granted to individuals, corporations, or partnerships who currently operate a Center

2 <u>TERM</u>

This Agreement shall commence on the date it is executed by Franchisor and unless sooner terminated as hereinafter set forth, shall continue for an initial term of ten (10) years from the date first wrıtten above Franchısee may, subject to the followıng condıtıons, renew thıs Agreement, for one addıtıonal ten (10) year term The followıng condıtıons shall be met prıor to renewal

2 1 Franchısee shall gıve Franchısor wrıtten notıce of Franchısee's electıon to renew not less than nınety (90) calendar days, nor more than one hundred eıghty (180) calendar days prıor to the expıratıon of the then-current term

2 2 Franchısee shall not be ın default of any provısıon of thıs Agreement, any amendment hereof or successor hereto, or any other agreement between Franchısee and Franchısor or ıts affilıates, and Franchısee shall have substantıally and tımely complıed wıth all terms and condıtıons of such agreements durıng the terms thereof

2 3 Franchısee shall have satısfied all monetary oblıgatıons owed to Franchısor and ıts affilıates, and shall have tımely met those oblıgatıons throughout the term of thıs Agreement

2 4 Franchısee shall execute Franchısor's then-current Franchıse Agreement on or before the commencement of the renewal term, except that Franchısee shall not be requıred to pay an ınıtıal franchıse fee under that agreement (nor a renewal fee under thıs Agreement)

2 5 Franchısee must sıgn and delıver to Franchısor a release, ın a form that Franchısor wıll provıde (whıch wıll be a mutual release wıth lımıted exclusıons), whıch wıll release all claıms agaınst Franchısor and ıts affilıates, and theır respectıve officers, dırectors, agents, and employees If Franchısee ıs an entıty, then Franchısee's affilıates and ıts dırect and ındırect owners (and any other partıes that Franchısor reasonably requests) must also sıgn and delıver that release to Franchısor

3 <u>DUTIES OF FRANCHISOR</u>

3 1 **<u>Sıte Selectıon</u>** Franchısor shall provıde such sıte selectıon assıstance as set forth ın the Sıte Selectıon Addendum attached hereto as Exhıbıt B Franchısee understands, acknowledges, and agrees that Franchısor's revıew and approval of a proposed sıte for the Center pursuant to thıs Sectıon 3 1, and the Sıte Selectıon Addendum, does not constıtute Franchısor's assurance, representatıon, or warranty of any kınd that the Center located at the Premıses wıll be profitable or successful

3 2 **<u>Complıance Wıth Law</u>** Franchısor wıll assıst Franchısee, when and ıf requested, ın ıdentıfyıng the requırements and performıng the oblıgatıons set forth ın Sectıon 6 7 hereof wıth respect to obtaınıng requıred government and governmental agency approval of the Premıses and currıculum (ıncludıng contracts or other ınstruments to be executed by students) and recommendıng the means to obtaın requıred lıcenses or approvals

3 3 **Training and Assistance** Franchisor shall provide a training program as set forth in Section 6 1 of this Agreement which will typically consist of the attendance by Franchisee, and such key personnel as Franchisor designates, at a training seminar to be held, at Franchisor's sole discretion, in Chesterfield, Missouri, at a designated Center, Franchisee's Center, or any other location Franchisor may specify

3 4 **Products** Franchisor shall make available for purchase by Franchisee products and/or the names of suppliers of products for resale from the Center in the regular course of Franchisee's business

3 5 **Pricing** Franchisor shall from time to time suggest to Franchisee, upon request, prices and terms of purchase with respect to the courses, products, and services offered by Franchisee Such prices and terms are suggestions only, and Franchisee is free to depart therefrom with consideration of local market conditions, similar local competition, and/or State Department of Education or a similar regulatory authority's rules and regulations

3 6 **Advertising Materials** Franchisor shall provide to Franchisee, within thirty (30) days after the execution of this Agreement by Franchisor, advertising and promotional material including (i) radio scripts, (ii) videos, (iii) samples of advertising and promotional materials, and (iv) Franchisor's guide to pre-opening promotions Franchisor shall also provide Franchisee with information about Franchisor's current internet advertising and promotions Franchisee shall be responsible for the contracting, placement and payment of pre-opening advertising and promotional materials and all other materials in advertising media, including the cost of production and distribution of printed materials Franchisor also shall make available to Franchisee for Franchisee's purchase, additional proprietary marketing materials and systems for Franchisee's use in local marketing and advertising efforts

3 7 **Supervision** Franchisor's personnel may periodically visit Franchisee's Premises for the purpose of reviewing operating procedures and counseling Franchisee in the operation of the Center Franchisor's personnel will be available for the extraordinary consultation and assistance that Franchisor determines is necessary in its sole discretion

3 8 **Manuals** Within thirty (30) days after the execution of this Agreement by Franchisor, Franchisor will provide Franchisee with access to one copy of the Manuals for use with the curriculum as further described in Section 9 hereof

4 INITIAL FRANCHISE FEE

In consideration of the rights granted to Franchisee herein, Franchisee has paid to Franchisor an initial franchise fee in the amount set forth in Exhibit A hereto The amount of the initial franchise fee is based on the type of franchise and the population of Franchisee's Licensed Territory as follows

TYPE OF FRANCHISE	POPULATION Over 1,000,000	1,000,000 and Under
Standard Franchise	$50,000	$40,000
Conversion Franchise	$40,000	$35,000
Additional Franchise	$35,000	$30,000

The population of the Licensed Territory shall be determined by Franchisor in accordance with statistical information available from governmental and/or private sources The initial franchise fee is fully earned and nonrefundable in consideration of administrative and other expenses incurred by Franchisor in entering into this Agreement and for Franchisor's lost or deferred opportunity to enter into this Agreement with others

5. FEES

5 1 Franchisee shall pay to Franchisor during the term of this Agreement a continuing monthly royalty fee equal to seven percent (7%) of Franchisee's monthly "Gross Income," as that term is defined below (the **"Royalty Fee"**)

5 2 Franchisee shall make monthly contributions to the IME Co-Op Advertising Fund established by Franchisor as specified in Section 10 hereof

5 3 As used in this Agreement, **"Gross Income"** shall be defined as follows

5 3 1 For Standard Franchises and Additional Franchises, and Satellite Offices, Gross Income includes all revenue derived by Franchisee from the sale of any and all courses, products, and services, and other business transacted in, on, or from the Premises, and all other income that is related directly or indirectly to the Center and any affiliated operations (including, without limitation, revenue derived from the sale of photography, composite cards, management fees, internet programs, cosmetics, skin care and hair care products, pageants, portfolios, conventions, and seminars), whether for cash or credit, without deduction of any kind, except for deduction for uncollectible tuition or enrollment Cancellations shall be deductible from Gross Income only to the extent Franchisee is obligated to refund monies already collected Gross Income shall be based only on amounts received by Franchisee, and shall not include any amounts attributable to or offsets for deferred or accrued student tuition Gross Income also shall not include any sales taxes or other taxes collected from customers by Franchisee and paid directly to the appropriate taxing authority With respect to model agency operations, the Net Income (defined below) derived from the operation of the agency business and affiliated operations (including, without limitation, revenue derived from photography, composite cards, management fees, internet programs, cosmetics, skin care and hair care products, pageants, portfolios, conventions, and seminars, and secondary and related agencies) shall be included in Gross Income "Net Income," shall be defined as the total amount billed to agency clients of any

and all fees, minus total payments to models for corresponding bookings

5 3 2 For Conversion Franchises, Gross Income shall be defined as in Section 5 3 1 above, except that Gross Income shall not include tuition from students enrolled prior to the date of this Agreement

5 4 All monthly payments required by this Section 5 and Section 10 hereof shall be paid on or before the 15th day of each month based on Gross Income for the preceding month, and shall be accompanied by the reports and information required by Sections 6 6 2 and 8 2 1 hereof, and such other information as Franchisor may reasonably require, all in the manner contained in the Manuals Franchisee shall comply with the payment and reporting procedures specified by Franchisor in the Manuals and Franchisor reserves the right to automatically debit Franchisee's bank account for the purpose of obtaining such payments In connection therewith, Franchisee agrees to sign and return to Franchisor Franchisor's current form of "Authorization Agreement for Prearranged Payments (Direct Debits)," a copy of which is attached to this Agreement as Exhibit C

5 5 If Franchisee fails to timely submit monthly reports or timely pay Royalty Fees three (3) or more times in any twelve-month period, whether or not cured, Franchisor shall have the right to terminate this Agreement without further opportunity to cure pursuant to Section 12 2 1 herein

5 6 Any payment or report not actually received by Franchisor on or before the due date shall be deemed overdue If any payment is overdue, Franchisee shall pay, in addition to the overdue amount, interest on such amount from the date due until paid, at the rate of 1½ % per month, or the maximum rate permitted by law, whichever is less Entitlement to such interest shall be in addition to any other remedies Franchisor may have Franchisor shall be entitled to apply any payments from Franchisee to first pay any overdue amounts Franchisor shall also have the right to set off from payment of any amounts due to Franchisee under this Agreement, or any other agreement between Franchisor and Franchisee, all amounts due to Franchisor or any affiliate of Franchisor under this Agreement, or any other agreement between Franchisor and Franchisee

6 DUTIES OF FRANCHISEE

6.1 Training and Staffing

6 1 1 Within three (3) months after the date of this Agreement, or upon such later date as Franchisor may in its sole discretion permit, Franchisee (or, if Franchisee is a corporation or partnership, a principal of Franchisee acceptable to Franchisor) and such key personnel as Franchisor designates shall attend and complete to Franchisor's satisfaction the initial training program offered by Franchisor for the operation of the Center The initial training program will take place at Franchisor's corporate offices in Chesterfield, Missouri, at a Center of Franchisor's choosing, or by telephone and/or "net meeting," unless Franchisee is a Conversion Franchisee, in which case the initial training program will be at the location of Franchisee's Center Franchisor will bear the cost of all initial training (instruction and required materials), and Franchisee will bear all other expenses incurred in connection with attending the initial training program (including without limitation the costs of transportation, lodging, meals, wages, benefits, and worker's compensation insurance) Any persons subsequently employed by Franchisee in the

position of director shall be trained by Franchisee in the manner specified by Franchisor in the Manuals or otherwise in writing Franchisee and such key personnel shall also attend such additional courses, seminars, and other training programs as Franchisor may reasonably require from time to time for the operation of the Center

6 1 2 For all required initial and additional training courses, seminars, and programs for the operation of the Center, Franchisor shall provide, at no charge to Franchisee, instructors and training materials, and Franchisee or its employees shall be responsible for any and all other expenses incurred by them in connection with any such courses, seminars, and programs, including, without limitation, the cost of transportation, lodging, meals, and wages

6 1 3 Franchisee shall be required to attend Franchisor's periodic designated meetings of franchisees in the System, at such location(s) in the United States as Franchisor may specify Such meetings will take place periodically and will not be held more frequently than once each year Franchisee shall be responsible for any and all expenses incurred in connection with attending such meetings including, without limitation, the cost of transportation, lodging, meals, and wages

6 1 4 Franchisee and its staff must, at all times, cooperate with Franchisor and with Franchisor's representatives

6 1 5 Franchisee agrees to maintain a competent, conscientious, trained staff in numbers sufficient to provide services meeting our standards to customers, including at least one person trained in the management of the Franchised Business on duty at all times Franchisee shall take such steps as are necessary to ensure that Franchisee's employees preserve good customer relations and comply with such dress code and cleanliness and sanitation standards as Franchisor may prescribe, or as may be required under applicable law

6 2 **<u>Construction and Opening of Center</u>**

6 2 1 If Franchisee will occupy the Premises of a Center under a lease, Franchisee shall, prior to the execution of the lease, submit the lease to Franchisor for its written approval Franchisor's approval of the lease or purchase agreement for the Center shall be conditioned upon the execution by Franchisee and the landlord for the Premises of the "Lease Rider" attached to this Agreement as Exhibit D, as well as the inclusion in the lease or purchase agreement of terms acceptable to Franchisor Whether or not contained in the Lease Rider, Franchisor will have the right to require inclusion in the lease of any or all of the following terms and conditions

6 2 1 1 That the initial term of the lease, or the initial term together with renewal terms, shall be for not less than three (3) years,

6 2 1 2 That the lessor consents to Franchisee's use of such Proprietary Marks and initial signage as Franchisor may prescribe for the Center,

6 2 1 3 That the use of the Premises be restricted solely to the operation of the Center,

6 2 1 4 That Franchisee be prohibited from subleasing or assigning all or any part of its occupancy rights or extending the term of or renewing the lease without Franchisor's prior written consent,

6 2 1 5 That the lessor provide to Franchisor copies of any and all notices of default given to Franchisee under the lease,

6 2 1 6 That Franchisor have the right to enter the Premises to make modifications necessary to protect the Proprietary Marks or the System or to cure any default under the Franchise Agreement or under the lease,

6 2 1 7 That Franchisor (or Franchisor's designee) have the option, but not the obligation, upon default, expiration, or termination of the Franchise Agreement, and upon notice to the lessor, to assume all of Franchisee's rights under the lease terms, including the right to assign or sublease, and

6 2 1 8 That if the Premises is vacated by Franchisee, Franchisor (or its designee) shall have the right to enter the Premises in order to obtain all records maintained by Franchisee in connection with the operation of the Center

6 2 2 Franchisee acknowledges that Franchisor's review and approval of a site, lease, sublease, or purchase agreement for a Center shall not constitute Franchisor's recommendation, endorsement, or guarantee of the suitability of that location or the terms of the lease, sublease, or purchase agreement, accordingly, Franchisee agrees to take all steps necessary to determine whether a particular location and whether the terms of any lease, sublease, or purchase agreement for the site are beneficial and acceptable to Franchisee

6 2 3 Franchisee agrees that, promptly after obtaining possession of the approved site for the Center, Franchisee shall complete the construction and/or remodeling, fixture, furniture and sign installation and decorating of the Center in full and strict compliance with plans and specifications for the Center that Franchisor has approved in the Manual or otherwise in writing, as well as all applicable ordinances, building codes and permit requirements

6 2 4 Franchisee shall commence business operations within one hundred fifty (150) days after execution of this Agreement Once open, Franchisee shall continue to operate the Center until the expiration or termination of this Agreement

6 2 5 Franchisee agrees to, at all times, maintain the Center in a high degree of repair and condition, and in connection therewith will make such additions, alterations, repairs, and replacements to the Center (but no others without Franchisor's prior written consent) as may be required for that purpose (including, but not limited to, the periodic repainting or replacement of obsolete signs, furnishings, equipment, and decor that Franchisor may reasonably require) Franchisee agrees to refurbish the Center, at its expense, to conform to Franchisor's then-current design, trade dress, signage, decor, color schemes, and presentation of the Proprietary Marks in a

manner consistent with the then-current image for new Centers, including, but not limited to, remodeling, redecoration, and modifications to existing improvements, all of which Franchisor may require in writing

6 3 **Operations According to Standards** Franchisee shall properly train its personnel and conform to all specifications relating to the operation of the Center including, but not limited to, use of the Proprietary Marks, curriculum, construction, decor, design, operation and signs Franchisor does not exercise any discretion or control over employment policies or employment decisions of Franchisee All employees of Franchisee are solely employees of Franchisee, not Franchisor Franchisee is not Franchisor's agent for any purpose in regard to Franchisee's employees or otherwise Franchisee agrees to abide by all instructions, regulations and specifications established by Franchisor, including, but not limited to, the terms and requirements of the Manuals, as may be amended from time to time If required by Franchisor, Franchisee shall have each student of the Center complete evaluations and critiques of the classes, curriculum and instruction at the Center, on a form prescribed by Franchisor ("**Student Evaluations**") Upon request by Franchisor, Franchisee shall immediately submit Student Evaluations to Franchisor

6 4 **Right of Inspection** Franchisee shall permit Franchisor, its employees and designated representatives to enter the Center at any and all reasonable times, without prior notice

6 4 1 to attend student admission interviews conducted by Franchisee,

6 4 2 to attend classes conducted by Franchisee at the Center,

6 4 3 to attend any special marketing and/or promotional events conducted by Franchisee at or outside of the Center,

6 4 4 to conduct inspections of the Premises and books of account to ascertain whether Franchisor's uniform standards of operation are being maintained, and

6 4 5 to conduct inspections of all student enrollment agreements, student weekly reports, Student Evaluations, and class attendance records

6 5 **Advertising and Promotion**

6 5 1 Franchisee shall aggressively advertise and promote in its Licensed Territory the Center and the business conducted therein Franchisee shall not engage in any misleading or deceptive advertising, promotion or other device, or in any way misrepresent the nature of the curriculum or services offered at its Center, modeling agency, personal-development school, acting school, fashion merchandising programs, modeling convention symposiums or other services within or outside the Licensed Territory Franchisee shall make no representations, promises, and/or guaranties of any kind to prospective students as to such student's potential or prospects for a modeling career Franchisee shall have the right, but shall not be obligated, to participate at its own expense in certain System-wide online marketing programs

6 5 2 Franchisee agrees that it shall not use any advertising or promotional material developed by Franchisee without the prior approval of Franchisor In order to facilitate approval, Franchisee agrees to provide a copy of all proposed advertising and promotional material to Franchisor prior to any use thereof Franchisor will notify Franchisee of its approval or disapproval within thirty (30) days after the date of submission to Franchisor If Franchisee has not received notice of approval or disapproval within thirty (30) days after the date of submission to Franchisor, the proposed advertising and promotional materials shall be deemed approved Franchisee agrees that any advertising or promotional material developed by it and approved for use by Franchisor may be used by Franchisor and other franchisees without any payment to Franchisee

6 5 3 Franchisee specifically acknowledges and agrees that any Online Site (as defined below) shall be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's prior written approval under the provisions of Section 6 5 2 above As used in this Agreement, the term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, but not limited to, the Internet, World Wide Web, webpages, microsites, social media and social networking sites (e g , Facebook, Twitter, LinkedIn, You Tube, Google Plus, Pinterest, Instagram, Snap Chat, etc), blogs, vlogs, applications to be installed on mobile devices (e g , mobile phone or tablet apps), and other applications, etc , and that refers to the Center, Proprietary Marks, the Products, Franchisor, and/or the System Franchisor is not obligated to permit Franchisee to have or maintain any Online Sites in connection with the Center, but if Franchisor provides its prior written consent for Franchisee to have a separate Online site, then each of the following provisions will apply

6 5 3 1 Before establishing the Online Site, Franchisee shall submit to Franchisor a sample of the Online Site format and information in the form and manner Franchisor may reasonably require

6 5 3 2 Franchisee shall not establish the Online Site without Franchisor's prior written approval Franchisee shall not use or modify such Online Site without Franchisor's prior written approval as to such proposed use or modification

6 5 3 3 Any Online Site that Franchisor approves (as well as any that Franchisee creates or has created for it without Franchisor's approval) is and will be Franchisor's property, and Franchisee agrees that upon expiration or termination of this Agreement, Franchisee will assign to Franchisor the administrative control, log-in and password information for all such Online Sites, so that Franchisor may take control over those Online Sites Franchisor shall own the Online Site Uniform Resource Locator ("**URL**") for any Online Site Franchisee establishes and operates in connection with the Center

6 5 3 4 In addition to any other applicable requirements, Franchisee shall comply with Franchisor's standards and specifications for Online Sites as prescribed by Franchisor from time to time in the Manuals or otherwise in writing If required by Franchisor, Franchisee shall establish its Online Site as part of Franchisor's Online Site and/or establish electronic links to Franchisor's Online Site

6 5 3 5 Franchisor may require Franchisee to make Franchisor the sole administrator (or co-administrator) of any social networking pages that Franchisee maintains or that are maintained on Franchisee's behalf

6 6 Model Agency

6 6 1 Franchisee may conduct a model agency business under the name "MODEL & TALENT MANAGEMENT AGENCY" or such other name as Franchisor may approve in its sole discretion, for a period coterminous with this Agreement, including any renewals hereof, provided that the agency business is operated subject to all of the terms of this Agreement and in a manner consistent with the highest standards of professionalism and integrity in the modeling industry and otherwise in accordance with procedures set forth from time to time by Franchisor

6 6 2 Franchisee shall submit to Franchisor a monthly list, in the form prescribed by Franchisor in the Manuals or otherwise in writing, of all models that Franchisee submits to national and international modeling agencies

6 7 **Licenses and Approvals** Franchisee shall obtain and maintain during the term of this Agreement all licenses and approvals from any governmental or regulatory agency required for the operation of the Center and agency or the curriculum to be offered by Franchisee, and shall operate the Center in compliance with all applicable federal, state and local laws and regulations, including (but not limited to) the Americans with Disabilities Act, 42 U S C § 12101 *et seq* Any and all costs associated with securing necessary licenses and approvals, including, but not limited to, attorneys' fees and filing fees, shall be borne by Franchisee To the extent that Franchisor's requirements or standard practices and procedures impair the granting of any license or approval, Franchisor, in its sole discretion, may modify its requirements, practices and procedures as applied to Franchisee Franchisee, where required, must obtain the approval of the State Department of Education and/or Department of Labor (for modeling agencies) or similar regulatory authority (each, a "**Regulatory Authority**") Franchisee acknowledges that Franchisor shall have no liability to Franchisee or any governmental or regulatory agency for any failure by Franchisee to obtain or maintain during the term of this Agreement any necessary licenses or approvals required for the operation of the Center

6 8 **Sales of Products and Services** Franchisee must purchase and sell all products and services (including courses) prescribed by Franchisor in the Manuals or otherwise in writing Franchisee must purchase such products and educational materials (including model and actor starter kits) as Franchisor specifies in the Manuals or otherwise in writing solely from Franchisor All products and services must conform to Franchisor's standards and specifications contained in the Manuals Franchisee must submit samples of any and all unapproved products, and descriptions of unapproved services to Franchisor for review and approval prior to use or sale by Franchisee The specifications for particular products or services and the manner of determining approval for the sale of other products or services may, from time to time, be set forth in the Manuals, in bulletins issued by Franchisor or provided upon the request of Franchisee In the case of a Conversion Franchise, if Franchisee offered goods or services in connection with its business prior to the execution of this Agreement which do not conform to Franchisor's standards and specifications contained in the Manuals, the Franchisee must obtain the Franchisor's written approval in order to continue to sell those goods and services while

operating their business as a Center Franchisee agrees that Franchisor has the right to collect and retain all manufacturing allowances, marketing allowances, rebates, credits, monies, payments or benefits (collectively, "**Allowances**") offered by suppliers to Franchisee or to Franchisor (or its affiliates) based upon Franchisee's purchases of products and other goods and services These Allowances include those based on System-wide purchases of products, supplies, merchandise, and other items Franchisee assigns to Franchisor or its designee all of Franchisee's right, title and interest in and to any and all such Allowances and authorize Franchisor (or its designee) to collect and retain any or all such Allowances without restriction

6 9 **<u>Modification of System by Franchisor</u>** Franchisee recognizes and agrees that from time to time Franchisor may change the curriculum and/or the System as Franchisor deems appropriate, including without limitation, to reflect the changing market and/or variations and additions to the System that may be required from time to time to preserve and enhance the public image of the System and operations of Centers Franchisor's changes to the System may include, without limitation, changing the name, trademarks and service marks used by Franchisee, the adoption and use of new or modified products, services, and new curriculum techniques and methodologies Franchisee shall, upon reasonable notice, accept, implement, use and display in the operation of the Center any such changes in the System, as if they were part of this Agreement at the time of execution hereof, at Franchisee's sole expense Additionally, Franchisor reserves the right, in its sole discretion, to vary the standards throughout the System, as well as the services and assistance that Franchisor may provide at its own Centers and to some franchisees based upon the peculiarities of a particular site or circumstance, existing business practices, or other factors that Franchisor deems to be important to the operation of any Center or the System Franchisee shall have no recourse against Franchisor on account of any variation to any Center or franchisee and shall not be entitled to require Franchisor to provide Franchisee with a like or similar variation hereunder

6 10 **<u>Modification by Franchisee</u>** In the event that Franchisee desires to offer a course not included in Franchisor's curriculum, to modify any course included in Franchisor's curriculum or to make any changes in Franchisor's System or operations procedures, Franchisee shall first obtain Franchisor's written approval Franchisee agrees that any new course, curriculum, modification of existing course or modifications of the System or operations procedures approved by Franchisor will be deemed to be Franchisor's sole and exclusive property and works made-for-hire for Franchisor Such new course, curriculum, modification of existing course or modifications of the System or operations procedures may, among other things, be adopted by Franchisor as part of its general curriculum or the System and may be offered or made available to all existing and new franchisees of Franchisor without any payment by Franchisor to Franchisee Franchisee agrees to make copies of all new or modified materials available to Franchisor immediately upon the request by Franchisor Franchisee and each of its principals and owners agree to sign the assignment and/or other documents Franchisor requests in order to implement this clause, to evidence Franchisor's ownership, and to assist Franchisor in securing intellectual property rights in such new or modified materials

6 11 **Ownership and Use of Identifying Information of Customers** Franchisee acknowledges that Franchisor owns all identifying information regarding customers of Franchisee's "JOHN CASABLANCAS CENTER" and/or "MODEL & TALENT MANAGEMENT AGENCY", including customer's names, mailing address, telephone number, e-mail address and other personal data ("**Identifying Information**"), that Franchisee shall use Identifying Information that Franchisee obtains in the course of operating such Center and/or Agency solely for the benefit of the franchised Center and/or Agency and for the Franchisor, and that Franchisee's use of Identifying Information obtained in the course of operating a franchised Center and/or Agency is conditioned upon the continuation of the franchise relationship between the parties and/or their assignees

6 12 **Computer System** Franchisor reserves the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, computer software, and hardware to be used by, between, or among Centers and Franchisor, including without limitation (a) a point of sale management and marketing system ("**POS System**"), data, audio, video, and voice storage, retrieval, and transmission systems for use at the Center, (b) electronic cash registers, (c) printers and other peripheral devices, and (d) internet access mode and speed (collectively, the "**Computer System**") In connection with the Computer System

6 12 1 Franchisor shall have the right, but not the obligation, to develop or have developed for it, or to designate (a) computer software programs and accounting system software that Franchisee must use in connection with the Computer System ("**Required Software**"), which Franchisee shall install, (b) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee shall install, (c) the tangible media upon which such Franchisee shall record data, and (d) the database file structure of the Computer System

6 12 2 Franchisee shall install and use the Computer System and Required Software, and shall execute such software license agreement(s) as Franchisor deems necessary to implement the use of the Required Software

6 12 3 Franchisee shall implement and periodically make upgrades and other changes to the Computer System and Required Software as Franchisor may reasonably request in writing (collectively, "**Computer Upgrades**")

6 12 4 Franchisee shall afford Franchisor unimpeded access to Franchisee's Computer System and Required Software as Franchisor may request, in the manner, form, and at the times requested by Franchisor Franchisor shall have the right at any time to retrieve and use such data and information from Franchisee's Computer System and Required Software that Franchisor deems necessary or desirable In view of the contemplated interconnection of computer systems and the necessity that such systems be compatible with each other to the greatest practical extent, Franchisee agrees to comply with Franchisor's standards and specifications for all items associated with Franchisee's Computer System and Required Software, and with respect to Computer Upgrades, and to otherwise operate its Computer System in accordance with Franchisor's standards and specifications

6 13 **Electronic Communications and Internet Presence** Franchisee acknowledges and agrees that exchanging information with Franchisor and others by e-mail, facsimile, or through the Internet is an important way to enable quick, effective, and efficient communication, and that Franchisor is entitled to rely upon Franchisee's use of e-mail for communicating as part of the economic bargain underlying this Agreement Franchisee shall at all times during the term of this Agreement maintain a valid e-mail address to which Internet or other customer leads may be sent Franchisee shall inform Franchisor of such e-mail address(es), and shall notify Franchisor of any changes thereto Franchisor reserves the right to require Franchisee to use Franchisor's domain name and/or email address for all electronic communications made in connection with the operation of the Center Franchisor reserves the right to charge Franchisee a fee for such use, which fee shall not exceed $50/month Franchisee must also comply with Franchisor's requirements (as described in the Manuals or otherwise in writing) in connection with discussing, advertising, or disseminating any information, or otherwise having a presence, on the Internet, in an Online Site, or in any other media, regarding the Center Such activities include, without limitation, participation in any Internet "blogs" or social networking sites Any such activities which are not expressly permitted in the Manuals or otherwise in writing, or for which Franchisee has not previously received approval from Franchisor, shall be subject to Franchisor's approval as described in Sections 6 5 2 and/or 6 5 3 above

6 14 **Data** All data that Franchisee provides, that is uploaded to Franchisor's system from Franchisee's system, and/or downloaded from Franchisee's system to Franchisor's system is (and will be) owned exclusively by Franchisor, and Franchisor will have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee In addition, all other data that Franchisee creates and/or collect in connection with the System, or in connection with Franchisee's operation of the Franchised Business (including, but not limited to, student lists and transaction information), is and will be owned exclusively by Franchisor during the term of, and following termination or expiration of, this Agreement Copies and/or originals of such data must be provided to Franchisor upon Franchisor's request Franchisor hereby licenses use of such data back to Franchisee, at no additional cost, solely for the term of this Agreement and solely for Franchisee's use in connection with the business franchised under this Agreement Franchisor may periodically specify in the Manuals or otherwise in writing the information that Franchisee will collect and maintain on the Computer System installed at the Center, and Franchisee will provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained In connection with any use of data in connection with the Center

6 14 1 Franchisee agrees to comply with all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**")

6 14 2 Franchisee also agrees to comply with Franchisor's standards and policies pertaining to Privacy Laws If there is a conflict between Franchisor's standards and policies pertaining to Privacy Laws and actual applicable law, Franchisee will (***a***) comply with the requirements of applicable law, (***b***) immediately give Franchisor written notice of said conflict, and (*c*) promptly and fully cooperate with Franchisor and its counsel in determining the most effective way, if any, to

meet Franchisor's standards and policies pertaining to Privacy Laws within the bounds of applicable law

6 14 3 Franchisee agrees not to publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent as to said policy

6 15 **PCI Compliance and Credit Cards** With respect to Franchisee's acceptance and processing of customer payments by credit and debit cards, Franchisee agrees to do all of the following

6 15 1 Franchisee agrees to maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, "**Credit Card Vendors**") that Franchisor may periodically designate as mandatory The term "Credit Card Vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet")

6 15 2 Franchisee agrees not to use any Credit Card Vendor that Franchisor at any time disapproves

6 15 3 Franchisor has the right to modify Franchisor's requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke Franchisor's approval of any service provider

6 15 4 Franchisee agrees to comply with all of Franchisor's policies regarding acceptance of payment by credit and/or debit cards, including for example minimum purchase requirements for a customer's use of a credit card (Franchisor may set these requirements in the Manuals)

6 15 5 Franchisee agrees to comply with Franchisor's requirements concerning data collection and protection, as specified in Section 6 14 above

6 15 6 Franchisee agrees to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www pcisecuritystandards org), or any successor organization or standards that Franchisor may reasonably specify Among other things, Franchisee agrees to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards

7 PROPRIETARY MARKS

7 1 Franchisee acknowledges that the Proprietary Marks are solely owned by Franchisor and that only Franchisor and its designated franchisees (including its licensees) have the right to use

the Proprietary Marks alone or with any ancillary logos, signs or symbols permitted for use by Franchisor Franchisee further acknowledges that valuable goodwill is attached to the Proprietary Marks, and Franchisee agrees to use them only in the manner and to the extent specifically licensed herein

7 2 Franchisee shall use only the Proprietary Marks designated by Franchisor, and shall use them only in the manner authorized and permitted by Franchisor

7 3 Franchisee agrees that during the term of this Agreement, and after the expiration or termination of this Agreement for any reason, Franchisee shall not, directly or indirectly, contest the validity of or Franchisor's ownership of, or right to use and license others to use, the Proprietary Marks

7 4 Franchisee shall not register or attempt to register any of Franchisor's trade names, trademarks, service marks or slogans or any derivatives thereof as Franchisee's or in Franchisee's own name or that of any other person, firm or corporation

7 5 In the event that Franchisee secures in any jurisdiction any rights to any trade name, trademark, service mark or slogan provided by Franchisor which are greater than or superior to the rights owned by Franchisor, then Franchisee shall immediately notify Franchisor and, upon request, shall immediately assign all of Franchisee's right, title and interest thereto to Franchisor in further consideration of the granting of this franchise

7 6 Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Center only under the name "JOHN CASABLANCAS CENTERS" and "MODEL & TALENT MANAGEMENT AGENCY" and shall use all Proprietary Marks without prefix or suffix Franchisee shall not use the Proprietary Marks as part of its corporate or other legal name, or as part of any e-mail address, domain name, or other identification of Franchisee in any electronic medium, unless required by Franchisor or agreed to in advance, in writing, by Franchisor

7 7 Franchisee shall identify itself as the owner of the Center (in the manner required by Franchisor) in conjunction with any use of the Proprietary Marks, including, but not limited to, on invoices, enrollment agreements, order forms, receipts, and business stationery, as well as at such conspicuous locations at the Premises as Franchisor may designate in writing

7 8 Franchisee shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of Franchisor

7 9 Franchisor reserves the right to substitute different proprietary marks for use in identifying the System and the businesses operating thereunder at Franchisor's sole discretion

7 10 With respect to litigation involving the Proprietary Marks, the parties agree that

7 10 1 Franchisee shall promptly notify Franchisor of any suspected infringement of the Proprietary Marks, any known challenge to the validity of the Proprietary Marks, or any known challenge to Franchisor's ownership of, or Franchisor or Franchisee's right to use, the

Proprietary Marks Franchisee acknowledges that Franchisor shall have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks including any settlement thereof Franchisor shall also have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks

7 10 2 If Franchisee has used the Proprietary Marks in accordance with this Agreement, Franchisor shall defend Franchisee at Franchisor's expense against any third party claim, suit, or demand involving the Proprietary Marks arising out of Franchisee's use thereof If Franchisee has not used the Proprietary Marks in accordance with this Agreement, Franchisor will defend Franchisee, at Franchisee's expense, against such third party claims, suits, or demands Franchisee shall promptly notify Franchisor of any suspected unauthorized use of, or any challenge to the validity or ownership of the Proprietary Marks, or its right to use and to license others to use, or Franchisee's right to use, the Proprietary Marks

7 10 3 Franchisee acknowledges that Franchisor has the right to direct and control any administrative proceeding or litigation, or other adjudicative proceeding involving the Proprietary Marks, including any settlement thereof In Franchisor undertakes the defense or prosecution of any litigation relating to the Proprietary Marks, Franchisee shall execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, Franchisor agrees to reimburse Franchisee for its out-of-pocket costs in doing such acts and things, except that Franchisee shall bear the salary costs of its employees, and Franchisor shall bear the costs of any judgment or settlement To the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, Franchisee shall reimburse Franchisor for the cost of such litigation, including without limitation attorney's fees, as well as the cost of any judgment or settlement

8 ACCOUNTING AND RECORDS

8 1 Franchisee shall prepare and shall preserve for at least five (5) years after the expiration or termination of this Agreement or any renewal term, full, complete, and accurate books and records in such form as may be prescribed by Franchisor in the Manuals or otherwise in writing All data provided by Franchisee to Franchisor will be owned exclusively by Franchisor, and Franchisor shall have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee

8 2 Franchisee shall, at Franchisee's expense, submit to Franchisor in the form prescribed by Franchisor, the following reports, financial statements and other data

8 2 1 A Royalty Fee report, in the form prescribed by Franchisor in the Manuals or otherwise in writing, accurately reflecting the Gross Income of the Center during the preceding calendar month,

8 2 2 Within ninety (90) days after the end of Franchisee's fiscal year, a compiled financial statement prepared in accordance with generally accepted accounting principals, to

include a balance sheet, income statement, statement of cash flows (with necessary footnotes), and such other financial statements and information as Franchisor may require in the Manuals or otherwise in writing, prepared by an independent certified public accountant approved by Franchisor, showing the results of operations of the Center during such fiscal year Franchisor reserves the right in its sole discretion to require Franchisee to prepare, in lieu of an annual compiled financial statement required in this Section 8 2 2, an annual financial statement prepared on a review or audited basis by an independent certified public accountant satisfactory to Franchisor

8 2 3 For the first two (2) years of operation of the Center, Franchisee shall provide Franchisor with unaudited quarterly fiscal period balance sheets and fiscal period profit and loss statements within thirty (30) days after the end of each fiscal quarter

8 3 Franchisee shall maintain at all times on the Premises of the Center, and shall make available from time to time at Franchisor's request, all books, records, tax returns and control systems relating to Franchisee's operation of the Center, and shall allow Franchisor to make copies or extracts therefrom Franchisor or its agents, without prior notice, may audit Franchisee's books, operational and other records, tax returns and other financial statements If such audit reveals that any payments have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of 1 ½ % per month, or the maximum rate permitted by law, whichever is less Audits shall be made at Franchisor's expense unless the audit reveals an understatement or more than three percent (3%) of Franchisee's actual Gross Income for three (3) consecutive months In such event, Franchisee shall reimburse Franchisor for all expenses incurred in connection with the audit, including, but not limited to, accounting fees, legal fees, and travel costs

9 MANUALS

9 1 In order to protect the reputation and goodwill established in connection with the mark "JOHN CASABLANCAS" and to maintain uniform standards of operation of the businesses operated under the mark, Franchisee agrees to conduct its franchise operations in strict accordance with the curriculum and Manuals Franchisee agrees to treat the Manuals at all times as confidential, and shall not copy, disclose, record, modify or otherwise reproduce, in whole or in part, the Manuals or make the Manuals available to any unauthorized persons

9 2 The Manuals shall at all times remain the sole property of Franchisor, and the Manuals and all copies thereof shall be promptly returned to Franchisor upon request

9 3 Franchisor may, from time to time, update, modify, amend and revise the contents of any or all Manuals and may issue administrative bulletins which amend or supplement the Manuals or set forth the standards, rules and regulations essential to the establishment and operation of the franchise Promptly upon notification of any modifications or amendments, Franchisee agrees to modify or amend its franchise operations in accordance with the revised or updated Manuals at Franchisee's expense

10 ADVERTISING

10 1 Franchisee shall contribute to the IME co-op advertising fund established by Franchisor (the "**IME Co-Op Advertising Fund**") an amount equal to three percent (3%) of Franchisee's monthly Gross Income Franchisee's monthly contribution to the IME Co-Op Advertising Fund shall be made in the manner set forth in Section 5 4 above The IME Co-Op Advertising Fund and its earnings shall not otherwise inure to the benefit of Franchisor Franchisor or its designee shall maintain separate bookkeeping accounts for the IME Co-Op Advertising Fund

10 2 By Franchisee's execution of this Agreement, Franchisee agrees to abide by the rules, regulations, by-laws and other requirements of the national IME Co-Op Advertising Fund advisory board (the "**National Co-Op Advisory Board**") or any other corporation or entity which may subsequently be formed to support and administer, on a continuing, equitable and non-discriminatory basis, a national advertising and promotion program on behalf of Center franchisees The members of the National Co-Op Advisory Board shall be appointed by Franchisor

10 3 Neither Franchisor, the National Co-Op Advisory Board, nor any of their designees undertakes any obligation to make expenditures on behalf of any franchisee that are equivalent or proportionate to that franchisee's contributions, or to insure that any franchisee benefits directly or proportionately from the placement of advertising Franchisor shall have the right to charge the IME Co-Op Advertising Fund for such reasonable administrative costs and overhead as Franchisor may incur in activities reasonably related to the direction and implementation of the IME Co-Op Advertising Fund and advertising programs for franchisees and the System, including, without limitation, all costs of maintaining, administering, directing, conducting, creating and/or otherwise preparing advertising, marketing, public relations and/or promotional programs and materials, and any other activities that Franchisor believes will enhance the image of the System (including but not limited to the costs of preparing and conducting Internet, Online Site and media advertising campaigns, direct mail marketing, marketing surveys and other public relations activities, employing marketing personnel, as well as advertising and/or public relations agencies to assist therein, purchasing promotional items, conducting and administering visual merchandising and other merchandising programs, and providing promotional and other marketing materials and services to the Centers operated under the System)

10 4 The IME Co-op Advertising Fund is not and shall not be an asset of Franchisor, nor a trust, and Franchisor does not assume any fiduciary obligation to Franchisee for maintaining, directing or administering the IME Co-op Advertising Fund or for any other reason

11. INSURANCE

11 1 Franchisee shall maintain and procure at its own expense, before the commencement of business at the Center, an insurance policy or policies protecting Franchisee and Franchisor, their respective officers, employees and agents, against any loss, liability or expense whatsoever from fire (including extended coverage), personal injury, death, property damage, public liability, products liability or theft arising or occurring upon or in connection with the Premises or Franchisee's operation of the Center including, but not limited to, comprehensive general

liability insurance, property and casualty insurance, statutory workers' compensation insurance, employer's liability insurance, product liability insurance, and business interruption insurance Such policies shall be in such form as Franchisor may require and shall include, at a minimum (except as different coverages and policy limits may reasonably be specified for all Franchisees from time to time by Franchisor in the Manual or otherwise in writing) comprehensive general liability insurance with limits of at least One Million Dollars ($1,000,000) per person and Two Million Dollars ($2,000,000) per incident Franchisee agrees to name Franchisor as an additional insured in each of the insurance policies Franchisee further agrees that its insurance shall apply on a primary basis with respect to the additional insureds and any other insurance maintained by Franchisor shall not contribute in the event of any loss Such policy or policies shall be written by a responsible carrier or carriers licensed to do business in Franchisee's state and acceptable to Franchisor Promptly upon receipt of insurance, and at any other time Franchisor may request, Franchisee shall provide Franchisor with original certificates of insurance evidencing compliance with this Section 11 All certificates shall state that the policies shall not be canceled or altered without at least ten (10) days prior written notice to Franchisor Franchisee shall provide Franchisor with evidence of the renewal of all insurance policies required by this Section 11 within ten (10) days after each renewal

11 2 Franchisor may, in the exercise of its reasonable business judgment, periodically increase the required minimum limits of liability coverage or require Franchisee to maintain additional types of insurance Franchisee must comply with additional insurance requirements within thirty (30) days after receipt of written notice from Franchisor

12 DEFAULT AND TERMINATION

12 1 **With Opportunity To Cure** Except as provided in Sections 12 2 and 12 3 below, Franchisor may terminate this Franchise Agreement if Franchisee fails to cure any default under the Franchise Agreement within thirty (30) business days after Franchisor has served written notice of default on Franchisee (or within such longer time which Franchisor may determine is reasonably necessary to cure the default under the circumstances)

12 2 **Without Opportunity To Cure** Franchisor may terminate this Agreement and any and all licenses granted to Franchisee by Franchisor under this or any other Agreements immediately upon written notice to Franchisee, without opportunity to cure, if

12 2 1 Franchisee has been given three (3) or more written notices to cure defaults constituting cause for termination of this Agreement pursuant to Section 12 1 within any twelve (12) month period, whether or not such defaults were cured to Franchisor's satisfaction,

12 2 2 Franchisee fails to pay any Royalty Fees, IME Co-Op Advertising Fund contributions, or any other monies due to Franchisor or any affiliate within five (5) business days after receiving written notice that the fees are overdue notwithstanding any provision for payment of interest on late payments,

12 2 3 Franchisee repeatedly engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchised business or the System,

12 2 4 Franchisee intentionally understates Gross Income by 3% or more,

12 2 5 Franchisee repeatedly fails to comply with any of the terms, conditions and covenants of this Agreement or any other franchise agreement to which Franchisee is a party, or the failure of Franchisee to follow the procedures set forth in the Manuals or abide by the curriculum, whether or not corrected after notice,

12 2 6 Franchisee fails to operate the Center for more than fifteen (15) consecutive days after the commencement of business without the written approval of Franchisor,

12 2 7 Franchisee violates any law, ordinance, rule or regulation of any government or governmental agency having jurisdiction over the operation of the Center and permits the violation to go uncorrected for a period of thirty (30) calendar days after notification thereof, unless (i) there is a bona fide dispute as to the violation or legality of the law, ordinance, rule or regulation, (ii) Franchisee promptly provides Franchisor with a copy of any notice of such violation, and (iii) Franchisee resorts to courts or forums of appropriate jurisdiction to contest the violation or legality,

12 2 8 Franchisee assigns or attempts to assign Franchisee's interest in this Agreement or in Franchisee, any of Franchisee's rights or privileges hereunder, or substantially all or a significant portion of Franchisee's assets in violation of the terms hereof,

12 2 9 Franchisee at any time ceases to operate or otherwise abandons the Center, or loses the right to possession of the premises, or otherwise forfeits the right to do or transact business in the jurisdiction where the Center is located,

12 2 10 Franchisee fails to timely commence operations pursuant to Section 6 2 hereof, or

12 2 11 Franchisee fails to obtain Franchisor's prior written approval of advertising and promotional materials, programs, or new curriculum

12 3 **Automatic** If any one or more of the following events take place, then Franchisee will be deemed to be in default under this Agreement, and all rights granted in this Agreement will automatically terminate without notice to Franchisee ***(a)*** if Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, ***(b)*** if Franchisee files a petition in bankruptcy or such a petition is filed against and not opposed by Franchisee (to the extent permitted under the U S Bankruptcy Code), ***(c)*** if Franchisee is adjudicated bankrupt or insolvent (to the extent permitted under the U S Bankruptcy Code), ***(d)*** if a bill in equity or other proceeding for the appointment of a receiver for Franchisee or another custodian for Franchisee's business or assets is filed and consented to by Franchisee, ***(e)*** if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction, ***(f)*** if proceedings for a composition with creditors under any state or federal law is instituted by or against Franchisee, ***(g)*** if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless unappealed or a supersedeas bond is filed), ***(h)*** if Franchisee is dissolved, or if execution is levied against

Franchisee's business or property, (*i*) if suit to foreclose any lien or mortgage against the Center premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days, and/or (*j*) if the real or personal property of the Center will be sold after levy thereupon by any sheriff, marshal, or constable

12 4 **Cross Default** Any default under this Agreement shall also be deemed a default under any other agreement between Franchisor and Franchisee or any affiliate of Franchisee Any default under any other agreement between Franchisor and Franchisee or any affiliate of Franchisee shall also be deemed a default under this Agreement For the purposes of this provision, an affiliate of Franchisee shall include any partnership or corporation (i) that owns beneficially or of record more than thirty percent (30%) of Franchisee, or (ii) more than thirty percent (30%) of which is owned beneficially or of record by Franchisee, or (iii) more than thirty percent (30%) of which is under common ownership beneficially or of record with Franchisee

13. DUTIES UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to Franchisee shall terminate, and

13 1 Franchisee shall pay to Franchisor, within ten (10) days after expiration or termination, any and all monies owing to Franchisor through the date of termination or expiration, with interest as set forth herein Such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any or all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by Franchisee and on the Premises operated hereunder at the time of such default

13 2 Franchisee shall immediately cease selling new courses and shall cease all advertising and promotion in connection therewith Franchisee shall immediately discontinue operation of any Online Site(s) or other Internet applications in connection with the Center, and shall execute such documents and do such things as Franchisor may require to effect the requirements of this Section 13

13 3 Franchisee shall immediately send to Franchisor a copy of Franchisee's student ledger and shall complete the proper instruction of all existing students within the time allotted by Franchisor Franchisee shall immediately send to Franchisor a list of all Center invoices, whether billed or not billed, and a list of all Center clients, models or talent customers, including a detailed accounting of any sums of money, services and/or products owed to such individuals

13 4 Upon completion of the instruction described in Section 13 3 above, Franchisee shall immediately cease operating as a JOHN CASABLANCAS CENTER and MODEL & TALENT MANAGEMENT AGENCY and shall immediately remove all signs, marks, and symbols used in connection with the operation of its Center Franchisee shall not thereafter hold itself out as a present or former operator of a JOHN CASABLANCAS CENTER or MODEL & TALENT MANAGEMENT AGENCY

13 5 Franchisee shall immediately and permanently cease to use, in any manner whatsoever,

any confidential methods, procedures, and techniques associated with this System, the Proprietary Marks "JOHN CASABLANCAS" and all other Proprietary Marks and distinctive forms, slogans, signs, symbols and devices associated with the System In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms, products, and any other articles which display the Proprietary Marks

13 6 Franchisee shall assign to Franchisor all of its right, title and interest in and to its telephone numbers, Online Sites, and Internet URLs established and operated in connection with the Center Franchisee hereby grants to Franchisor a limited, irrevocable power of attorney to execute all documents required to complete such assignment in the name and on behalf of Franchisee

13 7 Franchisee shall return to Franchisor, freight prepaid, all Manuals, marketing, sales and promotion materials, written curriculum, audio and visual materials for use with the curriculum, and all other materials and documents and copies thereof bearing the mark "JOHN CASABLANCAS" or any other trademark or service mark, name or slogan furnished or used by Franchisor

13 8 Within 30 days of termination, Franchisee shall send to Franchisor all documents in its possession (including copies of such document) containing Identifying Information of (a) models and/or other persons placed by Franchisee's Model & Talent Management Agency, and (b) clients with whom Franchisee's Model & Talent Management Agency has placed models and/or other persons

13 9 At the request of Franchisor, Franchisee shall assign all its interest in any lease for the Premises to Franchisor or its designee, and the assignee shall assume all continuing obligations thereunder Franchisee hereby grants to Franchisor a limited, irrevocable power of attorney to execute all assignment documents in the name and on behalf of Franchisee If the business location is not assigned to Franchisor or its designee, then Franchisee, at its expense, shall make such changes to the signs, displays and interior decor as Franchisor shall request so as to effectively distinguish the Premises from its former appearance and from the appearance of other Centers If Franchisee fails to make the requested changes, Franchisor shall have the right to enter the Premises to make such changes at Franchisee's expense

13 10 Franchisor shall have the option (but not the obligation), which Franchisor may exercise at any time within thirty (30) days after expiration, termination, or default under the prime lease, to purchase from Franchisee any or all of the furnishings, equipment, signs, fixtures, supplies, or inventory of Franchisee related to the operation of the Center, at the lesser of Franchisee's cost or fair market value The cost shall be determined based upon a five (5) year straight-line depreciation of original costs For materials that are five (5) or more years old, the parties agree that fair market value shall be deemed to be ten percent (10%) of the materials' original cost If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from Franchisee

13 11 In order to preserve the goodwill of the System following termination, Franchisor (or its designee) shall have the right to enter the Center (without liability to Franchisee, Franchisee's principals, or otherwise) for the purpose continuing the Center's operation and maintaining the

goodwill of the business

13 12 Franchisee shall comply with the covenants contained in Section 14 of this Agreement

14. COVENANTS

14 1 **Operation of Business** Franchisee covenants that, during the term of this Agreement, except as otherwise approved by Franchisor, Franchisee (or, if Franchisee is a corporation or partnership, a principal or general partner of Franchisee) or Franchisee's fully-trained director shall devote full time and best efforts, to the development and proper operation of the Center

14 2 During the term of this Agreement and after its termination, Franchisee shall not communicate or divulge to any other person, partnership or corporation any information or knowledge concerning the curriculum or the confidential methods of promotion or operation used with respect to the Center, nor shall Franchisee disclose or divulge, in whole or in part, any trade secrets of Franchisor Franchisee agrees, if requested by Franchisor, to obtain executed trade secret agreements from such of its employees as Franchisor may reasonably designate from time to time

14 3 During the term of this Agreement, Franchisee shall not, without the prior written consent of Franchisor (i) conduct any business on, in or upon the Premises other than the business licensed under this Agreement, nor shall Franchisee conduct its business under any name, trade name, trademark, service mark or logo other than those designated in Section 7 6 hereto, (ii) engage in any activities related to model training and placement, including beauty pageants and beauty salons, whether or not on the Premises, within the Licensed Territory, or (iii) engage in the operation of any modeling or personal-development school, acting school, fashion merchandising school, modeling convention, symposium or similar business within or outside the Licensed Territory (except for other Centers under franchise agreements entered into with Franchisor) without the prior written approval of Franchisor, which approval may be withheld for any reason

14 4 For a period of two (2) years after termination or expiration of this Agreement, and/or a transfer as contemplated in Section 15 below, Franchisee shall not, directly or indirectly, as sole proprietor, partner, shareholder or otherwise, engage in the operation of any modeling or personal-development school, acting school, fashion merchandising school, modeling convention, symposium or similar business, or modeling & talent management agency (a) within the Licensed Territory, or (b) within a fifty (50) mile radius of any existing Center If, at any time during the two-year period following expiration or termination of this Agreement, and/or a transfer as contemplated in Section 15 below, Franchisee fails to comply with its obligations under this Section 14, then that period of noncompliance will not be credited toward Franchisee's satisfaction of the two-year obligation specified above

14 5 At Franchisor's request, Franchisee shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Section 14 (including covenants applicable upon the termination of a person's relationship with Franchisee) from any or all of the following persons (a) all directors of Franchisee and any other personnel employed by Franchisee who have received or will receive training from Franchisor, (b) all officers, directors,

members, and holders of a beneficial interest of ten percent (10%) or more of the securities or assets of Franchisee, and of any corporation directly or indirectly controlling, controlled by, or under common control with, Franchisee, if Franchisee is a corporation or limited liability company, (c) the general partners and any limited partners (including any corporation, and the officers, directors, and holders of a beneficial interest of ten percent (10%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if Franchisee is a partnership Every covenant required by this Section 14 5 shall be in a form approved by Franchisor, including, without limitation, specific identification of Franchisor as a third party beneficiary of such covenants with the independent right to enforce them

14 6 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section 14 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 14

14 7 Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Section 14, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable

14 8 Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Section 14

14 9 Franchisee acknowledges that any failure to comply with the requirements of this Section 14 will cause Franchisor irreparable injury, and Franchisee agrees to pay all costs (including, without limitation, reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that Franchisor incurs in obtaining specific performance of, or an injunction against violation of, the requirements of this Section 14

15. TRANSFERABILITY OF INTEREST

15 1 Franchisor shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity, and any designated assignee of Franchisor shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment Franchisee shall execute such documents of attornment or otherwise as Franchisor shall request

15 2 This Agreement is entered into by Franchisor upon and in consideration of the personal skill, qualifications and representations of trust and confidence reposed in Franchisee or, in the case of a corporate, limited liability company, or partnership Franchisee, the principals, members, and partners thereof who will actively and substantially participate in the ownership and operation of the Center licensed hereunder Therefore, neither Franchisee or any principal,

member, or partner's interest in this Agreement, in Franchisee, any rights or privileges hereunder, or substantially all or a significant portion of Franchisee's assets shall be assigned, transferred, shared or divided, pledged, encumbered, voluntarily or involuntarily, by operation of law or otherwise (a "**Transfer**"), in any manner without prior written consent of Franchisor, which consent shall not be unreasonably withheld Franchisee acknowledges and agrees that any Transfer by Franchisee which does not have Franchisor's prior written approval shall be deemed null and void

15 3 Franchisee agrees that the following conditions, all of which are agreed to be reasonable, must be satisfied prior to obtaining Franchisor's consent to a Transfer of the business licensed hereunder

15 3 1 Franchisee shall give Franchisor ninety (90) days written notice of Franchisee's intent to Transfer

15 3 2 Franchisee must submit to Franchisor a copy of all documents, including financial statements, in a form prescribed by Franchisor, that will be used in connection with the proposed Transfer

15 3 3 Franchisee must give each applicable Regulatory Authority written notice of the intent to Transfer and must comply with all of the requirements of the Regulatory Authority regarding the Transfer (provided, however, that the requirements of this Section 15 3 3 shall not apply in states or jurisdictions where there is no such required regulatory approval for the operation of a modeling and/or talent training school or center) A copy of the letter submitted to the Regulatory Authority must be provided to Franchisor Franchisor shall have the right to withhold consent to a Transfer until such time as the Regulatory Authority has granted approval of the Transfer, and/or the assignee's operation of the Center In the absence of final approval from the Regulatory Authority of the Transfer, and the assignee as the operator of the Center, Franchisor shall have the right, in its sole discretion, to approve a Transfer based upon a temporary or transitional approval from the Regulatory Authority

15 3 4 Franchisee must provide to Franchisor all background, financial and other information regarding the proposed assignee as Franchisor may reasonably require Franchisee hereby grants to Franchisor the ongoing right to obtain and conduct, at Franchisor's expense, credit checks, background checks, criminal record checks, and other similar research on Franchisee and any of Franchisee's owners, officers, directors, employees, and shareholders with at least a ten percent (10%) equity ownership interest in Franchisee, that Franchisor deems necessary in its sole discretion Franchisor shall have no liability for any consequence as a result of conducting the credit, background, and criminal checks described in this Section 15 3 4

15 3 5 Franchisee must submit to Franchisor a copy of the Purchase Agreement and all other documents that are to be executed by the assignee The Purchase Agreement must contain provisions acceptable to Franchisor regarding receipt and execution by assignee of all franchise documents and acknowledgement by assignee of all license and bonding requirements

15 3 6 The assignee (or the principal shareholders or members of the assignee, in the case of a corporate or limited liability company assignee, and general partners, in the case of

a partnership) must obtain any license or approval required by any government or governmental agency having jurisdiction over the Center

15 3 7 The assignee must demonstrate to the satisfaction of Franchisor the ability, including the financial ability, to operate the Center successfully

15 3 8 The assignee must meet with Franchisor's representative at a location to be determined by Franchisor, in its sole discretion Franchisor must be satisfied as to the good moral character of the assignee (or the principal shareholders of the assignee in the case of a corporate assignee or the general partners, in the case of a partnership)

15 3 9 If required by Franchisor in its sole discretion, the assignee must complete Franchisor's initial training program applicable to the business being assigned Franchisee may also provide initial and on-going training to the assignee

15 3 10 The assignee (and the principal shareholders, in the case of a corporate assignee and the general partners, in the case of a partnership) must assume in writing all of the obligations of Franchisee to Franchisor hereunder

15 3 11 Franchisee shall have complied with all obligations to Franchisor and its affiliates, including, without limitation, the obligations to pay to Franchisor all Royalty Fees and contributions to the IME Co-Op Advertising Fund through the date of the Transfer

15 3 12 At the request of Franchisor, the assignee (and the principal shareholders, in the case of a corporate assignee) must execute Franchisor's then-current franchise agreement, except that the assignee shall pay to Franchisor, in lieu of an initial franchise fee, a transfer fee of Fifteen Thousand Dollars ($15,000), provided, however, that the transfer fee shall be Eight Thousand Dollars ($8,000) if the assignee is a then-current owner of a Center operated under the System

15 3 13 Franchisee and each of its partners, shareholders, officers and directors shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its shareholders, officers, directors, employees and agents

15 3 14 If applicable, Franchisee must attempt to assign the lease for the Premises to the assignee

15 4 If Franchisee is a corporation or limited liability company (a "Corporation") then any issuance, redemption, or transfer of the equity or voting securities or interests in the Corporation, or any disposition of substantially all or a significant portion of the assets of the Corporation in one transaction or in a series of transactions shall be deemed to be a Transfer which requires the consent of Franchisor The bylaws of the Corporation and all share certificates evidencing ownership of this Corporation shall contain the following provision

> "The transfer of stock in this Corporation is subject to the restrictive provisions of a Franchise Agreement with Image Marketing Enterprises, L L C Reference is made to the Franchise Agreement for all particulars "

15 5 If Franchisee is a general or limited partnership (the "Partnership"), the admission of a new partner, or the redemption, purchase, liquidation, or transfer of a Partnership interest, or any disposition of all or a significant portion of the assets of the Partnership, in one transaction or in a series of transactions shall be deemed to be a Transfer which requires the consent of Franchisor The Partnership Agreement shall contain the following provision

> "The transfer of a legal or beneficial interest in the partnership is subject to restrictive provisions of a Franchise Agreement with Image Marketing Enterprises, L L C Reference is made to the Franchise Agreement for all particulars "

15 6 No Transfer shall relieve Franchisee, or the shareholders or partners of Franchisee, of the confidentiality or non-competition provisions of this Franchise Agreement

15 7 Anything in this Section 15 to the contrary notwithstanding, in the event that Franchisee desires to Transfer all or substantially all of its interest under this Agreement (through the sale of its franchise, shares in a corporate Franchisor, sale of all or substantially all of its assets or otherwise), then Franchisee hereby grants to Franchisor a right of first refusal to purchase on the same terms and conditions as offered to any bona fide third party Franchisee shall notify Franchisor, in writing, of the terms of any proposed transaction with any bona fide third party and Franchisor shall have sixty (60) days from the date of receipt of the notice to agree to purchase on substantially the same terms and conditions In the event that Franchisor does not exercise its right of first refusal within the sixty (60) day period, then Franchisee may sell to such third party, and on the terms and conditions, set forth in Franchisee's notice, provided that the purchaser meets the conditions and qualifications set forth in this Section 15

15 8 In the event of the death or mental incapacity of Franchisee or any person with an interest in this Agreement, the heirs, beneficiaries, devisees or legal representatives of such person, together with all surviving shareholders of a corporate Franchisee and all surviving partners of a partnership franchisee, shall

15 8 1 Apply to Franchisor for the right to continue to operate the Center for the unexpired term of this Agreement within sixty (60) days after such death or mental incapacity, or

15 8 2 Sell, assign, transfer or convey the interest in compliance with the provisions of this Section 15 (including Franchisor's right of first refusal), provided, however, in the event a proper and timely application for the right to continue to operate has been made and rejected, the heirs, beneficiaries, devisees, or legal representative shall have ninety (90) days from the date of rejection to sell, assign, transfer, or convey the interest

15 9 In the event that the heirs, beneficiaries, devisees or the legal representative fail to take the steps set forth in Section 15 8, Franchisor may terminate the Franchise Agreement sixty-one (61) days from the death or mental incapacity of Franchisee or individual with an interest in this Agreement, or the date of rejection described in Section 15 8 2, as applicable

16 TAXES

16 1 Franchisee shall pay when due all taxes levied or assessed, including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the operation of the Center Franchisee shall pay Franchisor an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on Franchisor with respect to any payments to Franchisor required under this Agreement, unless the tax is credited against income tax otherwise payable by Franchisor

16 2 Franchisee shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Center including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, and fire clearances

17 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

17 1 The parties acknowledge and agree that

17 1 1 this Agreement does not create a fiduciary relationship between them,

17 1 2 that Franchisee will be an independent contractor,

17 1 3 Franchisee is the only party that is in day-to-day control of the Center, even though Franchisor will share the brand and Proprietary Marks as specified in this Agreement, and neither this Agreement nor any of the systems, guidance, processes, or requirements under which Franchisee operates alter that basic fact,

17 1 4 nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint-venturer, partner, employee, or servant of the other for any purpose whatsoever, and

17 1 5 neither this Agreement nor Franchisor's course of conduct is intended, nor may anything in this Agreement (nor Franchisor's course of conduct) be construed, to state or imply that Franchisor is the employer of Franchisee's employees and/or independent contractors, nor vice versa

17 2 During the term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor operating the Center pursuant to a Franchise Agreement from Franchisor Franchisee agrees to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place at the Center, the content of which Franchisor reserves the right to specify

17 3 Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligation in Franchisor's name, and Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, nor shall Franchisor be liable by reason of any act or omission of Franchisee in its operation of the Center hereunder or for any claim or judgment

arising therefrom against Franchisee or Franchisor

17 4 Franchisee hereby indemnifies and holds Franchisor, Franchisor's officers, directors, and employees harmless from and against any and all claims, losses, demands, costs, expenses, and damages arising out of the operation of Franchisee's business or any transaction entered into between Franchisee and any third party

18 NO WAIVER

No failure of either party to exercise any power reserved to it hereunder, or to insist upon strict compliance by the other party with any obligation hereunder, and no custom or practice of the parties in variance with the terms hereof shall constitute a waiver by either party of its right to demand exact compliance with the terms of this Agreement A waiver by Franchisor of any particular default by Franchisee, including defaults constituting cause for termination, shall in no way affect the right of Franchisor in any subsequent default of the same or different nature, nor shall any delay, waiver, forbearance or omission by Franchisor to exercise any power or right arising out of any breach or default by Franchisee affect or impair Franchisor's right or constitute a waiver by Franchisor of any right hereunder Subsequent acceptance by Franchisor of any payments due it shall not be deemed a waiver by Franchisor of any prior breach by Franchisee

19 DISPUTE RESOLUTION

19 1 Subject to Section 19 2 below, the parties agree that any action brought by either party against the other, in any court, whether federal or state, must be brought only within such state and in the judicial district in which Franchisor maintains its principal place of business

19 1 1 The parties agree that this Section 19 1 shall not be construed as preventing either party from removing an action from state to federal court, provided, however, that venue shall be as set forth above

19 1 2 The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision

19 1 3 Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, or class action

19 2 Before any party may bring an action in court against the other, the parties agree that they must first meet to mediate the dispute (except as otherwise provided in Section 24 below) Any such mediation will be non-binding and will be conducted in accordance with the then-current rules for mediation of commercial disputes of JAMS (f/k/a "Judicial Arbitration and Mediation Services, Inc ") at its location nearest to Franchisor's principal place of business Notwithstanding anything to the contrary, this Section 19 2 shall not bar either party from obtaining injunctive relief as permitted in Section 24 below against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, without having to engage in mediation

19 3 Franchisor and Franchisee irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding

19 4 Any and all claims and actions arising out of or relating to this Agreement, the relationship of Franchisee and Franchisor, or Franchisee's operation of the Center, brought by any party hereto against the other, shall be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or, it is expressly acknowledged and agreed by all parties, such claim or action shall be irrevocably barred

19 5 Franchisor and Franchisee hereby waive to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other, and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it

19 6 Franchisee agrees to pay Franchisor all damages, costs and expenses (including without limitation reasonable attorneys' fees) that Franchisor incurs after the termination or expiration of the franchise granted under this Agreement in (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement (including without limitation Section 14 above), and/or (b) successfully defending a claim from Franchisee that Franchisor misrepresented the terms of this Agreement, fraudulently induced Franchisee to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship

20 NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, or by other means which affords the sender evidence of delivery, of rejected delivery, or attempted delivery to the respective parties at the addresses shown on the first page of this Agreement, unless and until a different address has been designated by written notice to the other party Any notice by a means which affords the sender evidence of delivery, rejected delivery, or delivery not possible because the recipient has moved and left no forwarding address shall be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery The Manuals, any changes that Franchisor makes to the Manuals, and/or any other written instructions that Franchisor provides relating to operational matters, are not considered to be "notices" for the purpose of the delivery requirements in this Section 20

21 ENTIRE AGREEMENT

This Agreement, the attachments hereto, the Manuals and other documents referred to herein shall, taken together, constitute the entire Agreement between the parties with respect to the subject matter hereof, and supersede any and all prior agreements, whether written or oral Any amendment hereto shall not be binding unless in writing and executed by the parties hereto However, nothing in this Section is intended as, nor shall it be interpreted to be, a disclaimer by Franchisor of any representation made in its Franchise Disclosure Document ("FDD"), including the exhibits and any amendments to the FDD

22 SEVERABILITY

Each section, part, term or provision hereof shall be considered severable and if, for any reason, any section, part, term or provision hereof shall be deemed invalid or unenforceable as being contrary to law or public policy, now or in the future, that section, part, term or provision shall not impair the operation or the remainder of this Agreement, this Agreement shall continue in full force and effect, and such invalid section, part, term or provision shall be deemed not he a part of this Agreement

23 APPLICABLE LAW AND VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri, without regard to the application of Missouri conflict-of-law rules Subject to Section 19 hereof, any action or proceeding of any kind arising out of or by reason of this Agreement may be brought in any state or federal court of competent jurisdiction in the State of Missouri and Franchisee hereby submits to the jurisdiction of any such court If, however, any provisions of this Agreement would not be enforceable under the laws of Missouri, and if Franchisee is located outside of Missouri and such provision would be enforceable under the laws of the state in which Franchisee is located, then such provision shall be interpreted and construed under the laws of that state

24. INJUNCTIONS

Franchisee recognizes that certain acts shall cause immediate and irreparable damage to Franchisor for which no adequate remedy at law exists Nothing contained in this Agreement shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause Franchisor loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions

25 ACKNOWLEDGEMENTS

25 1 Franchisee acknowledges that the success of the business venture contemplated by this Agreement depends primarily upon the ability of Franchisee as an independent business owner Franchisee acknowledges that neither Franchisor nor any other person has guaranteed or warranted that Franchisee will succeed in the operation of the Center or has provided any sales or income projections of any kind to Franchisee Franchisee further acknowledges that there have not been representations, promises, guarantees or warranties of any kind made by Franchisor to induce Franchisee to execute this Agreement except as specifically set forth in the Franchise Offering Circular that has been delivered to Franchisee

25 2 Franchisee acknowledges and agrees that

25 2 1 Franchisee is the only party that employs its employees (even though Franchisor may provide Franchisee with advice, guidance, and training),

25 2 2 Franchisor is not the employer of any of Franchisee's employees, and Franchisor will not play any role in decisions regarding their employment (including but not limited to matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal),

25 2 3 the guidance that Franchisor provides and requirements under which Franchisee will operate are intended to promote and protect the value of the brand and the Proprietary Marks,

25 2 4 when forming and in operating the Center, Franchisee had to adopt standards to operate that business, and that instead of developing and implementing Franchisee's own standards (or those of another party), Franchisee chose to adopt and implement Franchisor's standards for the Center (including but not limited to the System and the requirements under this Agreement), and

25 2 5 Franchisee has made (and will remain responsible at all times for) all of the organizational and basic decisions about establishing and forming an entity, operating the Center (including but not limited to adopting Franchisor's standards as Franchisee's standards), and hiring employees and employment matters employment (including but not limited to matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal) engaging professional advisors, and all other facets of Franchisee's operation

25 3 Franchisee acknowledges that it received a copy of this Agreement, the exhibit(s) hereto, and agreements relating hereto, if any, with all of the blank lines therein filled in, prior to the date on which this Agreement was executed, and with sufficient time within which to review the Agreement, with advisors of Franchisee's choosing Franchisee further acknowledges that it received the FDD required by the Federal Trade Commission's Franchise Rule at least fourteen (14) calendar days prior to the date on which this Agreement was executed

26. <u>ADDITIONAL REPRESENTATIONS</u>

26 1 If Franchisee is a corporation, partnership, or limited liability company, or other entity, the name and address of each shareholder, partner, or member (a "**Principal**") of Franchisee is set out in Exhibit E hereto Franchisee agrees that, if Franchisee or its Principal changes its home address or telephone number during the term of this Agreement or any renewal term, Franchisee and/or such Principal shall promptly notify Franchisor of its new home address and telephone number

26 2 Franchisee represents and warrant to Franchisor that (a) neither Franchise nor any of its Principals have made any untrue statement of material fact nor omitted to state any material fact in obtaining the rights granted herein, (b) neither Franchisee nor any of its Principals have any direct or indirect legal beneficial interest in any business that may be deemed a competitive business, except as otherwise completely and accurately disclosed in its franchise application materials, and (c) neither Franchisee nor any of its Principals are subject to being "blocked" under any of the Anti-Terrorism Laws (defined below) and neither Franchisee nor any of the Principals are otherwise in violation of any of the Anti-Terrorism Laws Franchisee recognizes

that Franchisor approved Franchisee in reliance on all of the statements Franchisee and its principals have made in connection therewith For purposes of this Agreement, the term "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, as supplemented ("**Executive Order 13224**"), the Terrorism Sanctions Regulations (Title 31, Part 595 of the U S Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U S Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U S Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any other requirements of any governmental authority (including, without limitation, the U S Treasury Department's Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war

26 3 Each party represents and warrants to the others that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from (*a*) negotiating and entering into this Agreement, (*b*) exercising its rights under this Agreement, and/or (*c*) fulfilling its responsibilities under this Agreement

27 PERSONAL GUARANTEES

At the request of Franchisor, all principals of Franchisee, and shareholders owning beneficially or otherwise ten percent (10%) or more of the capital stock or rights to acquire capital stock of a corporate Franchisee shall execute a personal guarantee in the form attached to the FDD or otherwise prescribed by Franchisor, and agree to pay or perform on behalf of Franchisee in the event of Franchisee's failure to pay or perform in accordance with the terms and conditions of this Agreement

28 SECURITY INTEREST

Franchisor shall hold a security interest in Franchisee's present and future accounts, inventory, equipment, intangibles (i e , trademarks), proceeds, and interest in this Franchise Agreement Franchisor shall have the right to file a Form UCC-1 upon execution of this Agreement, and Franchisee shall execute any and all documents and do such acts and things as may, in the opinion of Franchisor (or Franchisor's counsel), be necessary to carry out such filing A copy of the Security Agreement is attached to the FDD as Exhibit C

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written

IMAGE MARKETING ENTERPRISES, L L C

By ____________________

Name ____________________

Title ____________________

Date ____________________

____

____

____

____

____

____

____

____

____

FRANCHISEE

By ____________________

Name ____________________

Title ____________________

Date ____________________

By ____________________

Name ____________________

Title ____________________

Date ____________________

By ____________________

Name ____________________

Title ____________________

Date ____________________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature

Date ____________________

Signature

Date ____________________

Signature

Date ____________________

Signature

Date ____________________

EXHIBIT A

TO FRANCHISE AGREEMENT

DATA ADDENDUM

¶	Section Cross-Reference	Item
1	1 1	The Licensed Territory under this Agreement shall be ______________________________ ______________________________
2	1 2	The Premises under this Agreement shall be ______________________________ ______________________________
3	1 5	The type of Center to be established and operated under this Agreement is **[Check only one]** [ ] Standard Franchise [ ] Conversion Franchise [ ] Additional Franchise
4	4	The initial franchise fee payable under this Agreement is ______________________ Dollars ($__________)

Initials	
______________________	______________________
Franchisee	Franchisor

EXHIBIT B

TO FRANCHISE AGREEMENT

SITE SELECTION ADDENDUM

IMAGE MARKETING ENTERPRISES, L L C , ("Franchisor") and _____________ _____________("Franchisee"), have this _____day of_________, 201___ entered into an Image Marketing Enterprises, L L C Franchise Agreement ("Franchise Agreement") and desire to supplement its terms, as set forth below in this Site Selection Addendum ("Addendum") The parties therefore agree as follows

1 Within ninety (90) days after the date of the Franchise Agreement and this Addendum, Franchisee shall obtain a site, at Franchisee's expense, for the business franchised under, and to be operated pursuant to, the Franchise Agreement (the "Center"), which site shall be approved by Franchisor as hereinafter provided The site shall be within the following area ___________________________________ (the "Site Selection Area") The time period set forth in this Paragraph 1 may, in Franchisor's sole discretion, be extended upon request by Franchisee in writing

2 Failure by Franchisee to obtain a site for the Center within the time required in Paragraph 1 above shall constitute a default under the Franchise Agreement and this Addendum Time is of the essence

3 Franchisor shall not establish, nor franchise another to establish, a Center within the Site Selection Area until Franchisor approves in writing a location for the Center franchised under the Franchise Agreement, or until the time set forth in Paragraph 1 hereof expires, whichever event first occurs Upon expiration of the search period, the protections of this Paragraph 3 will expire and Franchisee will have no further rights in and to the Site Selection Area (except as may be provided for in the Franchise Agreement)

4 Prior to Franchisee's acquisition by lease or purchase of a site for the Center, Franchisee shall submit to Franchisor, in the form Franchisor may specify, a completed site review form, such other information or materials as Franchisor may reasonably require, and a letter of intent or other evidence satisfactory to Franchisor which confirms Franchisee's favorable prospects for obtaining the proposed site Recognizing that time is of the essence, Franchisee must submit a proposed site, together with the information and materials required by this Paragraph 4, to Franchisor for its approval within forty-five (45) days after execution of this Site Selection Addendum Franchisor shall have ten (10) days after receipt of such information and materials from Franchisee to approve or disapprove, in Franchisor's sole discretion, the site as a location for the Center No proposed site shall he deemed approved unless it has been expressly approved in writing by Franchisor

5 Franchisor shall furnish to Franchisee the following

5 1 Such site selection guidelines and consultation as Franchisor deems advisable, and

5 2 Such on-site evaluation as Franchisor deems advisable as part of its evaluation of Franchisee's request for site approval Franchisor shall not, however, provide on-site evaluation for any proposed site prior to Franchisor's receipt of the information and materials required by Paragraph 4 hereof

6 If Franchisee will occupy the Premises of a Center under a lease, Franchisee shall, prior to the execution of the lease, submit the lease to Franchisor for its written approval Franchisor's approval of the lease may be conditioned upon the execution of the Lease Rider attached to the Franchise Agreement as Exhibit D and the inclusion of the lease terms identified in Section 6 2 of the Franchise Agreement

7 After a site for the Center has been approved in writing by Franchisor and acquired by Franchisee pursuant to Paragraph 4 hereof, the site shall constitute the Premises referred to in Section 1 2 of the Franchise Agreement and referenced in Exhibit A to the Franchise Agreement The Licensed Territory, as defined under Section 1 1 of the Franchise Agreement, shall be the geographic area thereafter described in Exhibit A to the Franchise Agreement, and shall become a part of the Franchise Agreement

8 Franchisee hereby acknowledges and agrees that Franchisor's approval of a site and a lease does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site or the lease for the Center or for any other purpose Franchisor's approval of the site and the lease indicates only that Franchisor believes that they comply with acceptable minimum criteria established by Franchisor solely for its purposes as of the time of the evaluation Both Franchisee and Franchisor acknowledge that application of criteria that have been effective with respect to other sites and leases may not be predictive of the desirability of all leases and potential for all sites and that, subsequent to Franchisor's approval, demographic and/or economic factors, included in or excluded from Franchisor's criteria could change, thereby altering the potential of a site or the desirability of a lease Such factors are unpredictable and are beyond Franchisor's control Franchisor shall not be responsible for the failure of a site or a lease approved by Franchisor to meet Franchisee's expectations as to revenue or operational criteria Franchisee further acknowledges and agrees that its acceptance of a franchise for the operation of the Center at the site and under the lease for the Premises is based on its own independent investigation of the suitability of the site and review of the lease

9 This Addendum constitutes an integral part of the Franchise Agreement between the parties hereto, and the terms of this Addendum shall be controlling with respect to the subject matter hereof except as modified or supplemented by this Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum on the day and year first above written

IMAGE MARKETING ENTERPRISES, L L C

By ______________________

Name ______________________

Title ______________________

Date ______________________

____
FRANCHISEE

By ______________________

Name ______________________

Title ______________________

Date ______________________

By ______________________

Name ______________________

Title ______________________

Date ______________________

By ______________________

Name ______________________

Title ______________________

Date ______________________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature

Date ______________________

Signature

Date ______________________

Signature

Date ______________________

Signature

Date ______________________

EXHIBIT C

TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR ACH PAYMENTS

(DIRECT DEBITS FOR ROYALTY, ADVERTISING FUND CONTRIBUTION, AND OTHER FEES)

_______________________________________ (Name of Person or Legal Entity)
_______________________________________(ID Number)

The undersigned depositor ("**Depositor**" or "**Franchisee**") hereby authorizes Image Marketing Enterprises, LLC ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**" or "**Bank**") to debit or credit such account(s) pursuant to Franchisor's instructions

______________________	______________________	
Depository	Branch	
______________________	__________	__________
City	State	Zip Code
______________________	______________________	
Bank Transit/ABA Number	Account Number	

____

This authorization is to remain in full and force and effect until sixty (60) days after Franchisor has received written notification from Franchisee of its termination

Printed Name of
Depositor ______________________

Signed- ______________________

Printed Name ______________________

Title ______________________

Date ______________________

EXHIBIT D

TO FRANCHISE AGREEMENT

LEASE RIDER

THIS LEASE RIDER (the "**Rider**") has been executed as of this ___ day of _________, 201___, by and between ___________________________("**Franchisee**") and ____________________ ("**Landlord**"), as an addendum to the lease, as modified, amended, supplemented, renewed and/or extended from time to time as contemplated herein ("**Lease**") dated as of __________, 201__ for the premises located at [address], in the State of _________ ("**Premises**")

Franchisee has also entered (or will also enter) into a Franchise Agreement ("**Franchise Agreement**") with Image Marketing Enterprises, LLC ("**Franchisor**") for the development and operation of a "JOHN CASABLANCAS CENTER" (a "**Center**") at the Premises, and as a condition to obtaining Franchisor's approval of the Lease, the Lease for the Premises must contain the provisions contained in this Rider

NOW THEREFORE, in consideration of mutual covenants set forth herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Franchisee hereby agree as follows

1 Landlord agrees to deliver to Franchisor a copy of any notice of default or termination of the Lease at the same time such notice is delivered to Franchisee

2 Franchisee hereby assigns to Franchisor, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or non-renewal of the Franchise Agreement, <u>but no such assignment shall be effective unless and until</u> **(a)** the Franchise Agreement is terminated or expires without renewal, **(b)** Franchisor has exercised its Option to Purchase under the Franchise Agreement, and **(c)** Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease

3 Franchisor shall have the right, but not the obligation, to cure any breach of the Lease upon giving written notice of its election to Franchisee and Landlord, and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder

4 The Lease may not be modified, amended, supplemented, renewed, extended or assigned by Franchisee without Franchisor's prior written consent

5 Franchisee and Landlord acknowledge and agree that Franchisor shall have no liability or obligation whatsoever under the Lease unless and until Franchisor assumes the Lease in writing pursuant to Section 2 or Section 3, above

6 If Franchisor assumes the Lease, as provided above, Franchisor may, without Landlord's prior consent, further assign the Lease to another franchisee of Franchisor to operate a Center at the Premises provided that the proposed franchisee has met all of Franchisor's applicable criteria and requirements and has executed a franchise agreement with Franchisor Landlord agrees to execute such further documentation to confirm its consent to the assignment permitted under this Rider as Franchisor may reasonably request Upon such assignment to a franchisee of Franchisor, Franchisor shall be released from any further liability under the terms and conditions of the Lease

7 Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises for certain purposes Landlord hereby agrees not to interfere with or prevent such entry by Franchisor, its employees or agents Landlord and Franchisee hereby further acknowledge that if the Franchise Agreement expires (without renewal) or is terminated, Franchisee is obligated to take certain steps under the Franchise Agreement to de-identify the Premises as a Center (unless Franchisor takes an assignment of the lease, as provided above) Landlord agrees to permit Franchisor, its employees or agent, to enter the Premises and remove signs (both interior and exterior), decor and materials displaying any marks, designs or logos owned by Franchisor, provided that Franchisor shall bear the expense of repairing any damage to the Premises as a result thereof

8 If Landlord is an affiliate or an owner of Franchisee, Landlord and Franchisee agree that if Landlord proposes to sell the Premises, before the sale of the Premises, upon the request of Franchisor the Lease shall be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the Center is located

9 Landlord agrees that during and after the term of the Lease, it will not disclose or use Franchisor's Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease "**<u>Confidential Information</u>**" as used herein shall mean all non-public information and tangible things, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, or otherwise obtained by Landlord, regarding the design and operations of the business located at the Premises, including, without limitation, all information identifying or describing the floor plan, furniture, fixtures, wall coverings, flooring materials, shelving, decorations, trade dress, manner of operation, and all other products, goods, and services used, useful or provided by or for Franchisee on the Premises Landlord acknowledges that all such Confidential Information belongs exclusively to Franchisor

10 Landlord agrees that **(a)** Franchisor has granted to only one party, the Franchisee, the right to use Franchisor's proprietary trade name, trademarks, service marks logos, insignias, slogans, emblems, symbols, designs and indicia of origin (collectively the "**<u>Marks</u>**") at the Premises under the terms of the Franchise Agreement, and **(b)** Franchisor has not granted any rights or privileges to use the Marks to Landlord

11 Landlord and Franchisee agree that the terms contained herein shall supersede any terms to the contrary set forth in the Lease

12 Franchisor, along with its successors and assigns, is an intended third party beneficiary of the provisions of this Rider

13 Landlord and Franchisee agree that copies of any and all notices required or permitted under this Rider, or under the Lease, shall also be sent to Franchisor at 648 Trade Center Boulevard, Chesterfield, Missouri 63005 (attention President), or to such other address as Franchisor may specify by giving written notice to Landlord

WITNESS the execution hereof under seal

Landlord	Franchisee
______________________________	______________________________
Date ______________________________	Date ______________________________
Subscribed and sworn to before me this ___ day of ___________, 201____	Subscribed and sworn to before me this ___ day of ___________, 201____
______________________________ Notary Public	______________________________ Notary Public
My Commission expires _________	My Commission expires _________

EXHIBIT E

TO FRANCHISE AGREEMENT

LIST OF PRINCIPALS

Name of Principal	Home Address	Interest %

EXHIBIT B

SATELLITE ADDENDUM

EXHIBIT B

IMAGE MARKETING ENTERPRISES, L L.C.

SATELLITE ADDENDUM

This Satellite Addendum ("Addendum") is made and entered into this ___________ day of _____________________, 20 _____ by and between Image Marketing Enterprises, L L C ("IME"), a Missouri limited liability company, and ____, having its principal place of business at ____ ("Franchisee")

WITNESSETH

A Franchisor and Franchisee have entered into a Franchise Agreement dated _____________, 20____, (the "Agreement") for the operation by Franchisee of a JOHN CASABLANCAS MODELING & CAREER CENTER and MODEL & TALENT MANAGEMENT AGENCY (the "Center") to be operated in the territory defined in the Agreement (the "Licensed Territory") All terms used herein and not otherwise defined shall have the same meaning as set forth in the Agreement

B In connection with, and in addition to, operating the Center, Franchisee wishes to obtain rights to operate one remote, satellite office (the "Satellite Office") under the System from a location within the Licensed Territory

C Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality and service and the necessity of operating the Satellite Office in conformity with Franchisor's standards and specifications

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and for other valuable consideration received, the parties hereby agree as follows

1 **GRANT**

1 1 Franchisor hereby grants to Franchisee, on the terms and conditions contained in this Addendum, as well as the terms and conditions contained in the Agreement, the right, and Franchisee undertakes the obligation, to operate one Satellite Office as an extension of the Center, and to use solely in connection therewith the System, as well as the Proprietary Marks designated by Franchisor for use under the System

1 2 The Satellite Office shall be located within the Licensed Territory at the following location ____

____

____

Franchisee may relocate the Satellite Office within the Licensed Territory only with Franchisor's prior written approval, which approval shall not be unreasonably withheld

2 **TERM**

Unless sooner terminated, this Addendum shall expire upon the expiration or earlier termination of the Agreement If Franchisee renews the Agreement, Franchisee shall have the right to extend the right to operate the Satellite Office by complying with the provisions and conditions of the Agreement regarding renewals as if those provisions and conditions were part of this Addendum, provided, however, that Franchisee shall execute Franchisor's then-current form of renewal Satellite Addendum, which addendum may have terms different from the terms of this Addendum

3. **FEES**

3 1 Franchisor acknowledges that Franchisee has paid an initial satellite fee of Six Thousand Dollars ($6,000) The initial satellite fee is fully earned by Franchisor upon execution and delivery of this Addendum by Franchisor and is not refundable under any circumstances

3 2 Franchisee shall maintain separate books and records for the operations of the Satellite Office All royalties and advertising fees shall be paid separately, but in the same manner as provided in the Agreement

4 **TRAINING.**

Franchisee shall not be required to attend additional training for operation of the Satellite Office

5 **OPERATIONS**

5 1 Franchisee agrees to commence operations at the Satellite Office within ___________ (___) days after the execution of this Addendum If the location for the Satellite Office will be determined pursuant to the Site Selection Addendum, however, Franchisee agrees to commence operations of the Center within ________ (___) days after leasing or acquiring the location for the Satellite Office Time is of the essence Franchisee agrees to operate the Satellite Office continuously throughout the term of this Addendum

6 CROSS DEFAULT

Any default under the Agreement shall constitute a default under this Addendum, and any default under this Addendum shall constitute a default under the Agreement In the event of a default by Franchisee with respect to the operation of the Satellite Office, Franchisor may, in its sole discretion, either (a) terminate only this Addendum and Franchisee's rights hereunder, or (b) terminate both this Addendum and the Agreement, and Franchisee's rights thereunder

7. TRANSFERABILITY OF INTEREST

Transfer of any interest in the Satellite Office, this Addendum, any rights or privileges hereunder, or substantially all or a significant portion of the assets of the Satellite Office shall be made only with Franchisor's prior written consent and in compliance with all of the terms and conditions for transfer contained in the Agreement.

8. AFFIRMATION OF AGREEMENT

Except as expressly provided for herein, all of the terms and conditions of the Agreement shall remain in full force and effect and shall be wholly applicable to Franchisee's operation of the Satellite Office Franchisee agrees to comply with all provisions of the Manuals or any written directives of Franchisor having specific applicability to the operation of the Satellite Office

[Signature page follows]

IN WITNESS WHEREOF, the parties have duly executed this Satellite Addendum on the date first above written

IMAGE MARKETING ENTERPRISES, L L C		FRANCHISEE	
By		By	
Name		Name	
Title		Title	
Date		Date	

PK7286 1

EXHIBIT C

IMAGE MARKETING ENTERPRISES, L L C

SECURITY AGREEMENT

THIS SECURITY AGREEMENT entered into as of the ____th day of ___________, 201__ by and between Image Marketing Enterprises, LLC ("IME") a Missouri Limited Liability Company and ____________________________, ("Debtor")

1 THE SECURITY The Debtor hereby grants to IME a security interest in the following described personal property (the "Collateral")

1 1 ACCOUNTS All present and future accounts, chattel paper, security agreements and debts secured thereby, debts of any kind, documents, notes, drafts, instruments, returned goods, contract rights, purchase orders and other forms of obligation,

1 2 EQUIPMENT AND FURNITURE All present and after acquired equipment wherever located, including, but not limited to, computers, machinery and all attachments and appurtenances thereto, appliances, fixtures, all classroom and office furnishings, learning materials, computer programs and catalogs,

1 3 INTANGIBLES All general intangibles, including, but not limited to, trade-names, goodwill, trademarks, copyrights, URLs, user names and passwords for computer systems, websites (including social networking sites), processes, patents, patent rights, patent applications, licenses, inventions, royalties, and commissions,

1 4 CONTRACTS AND AGREEMENT Any and all contracts or agreements between IME and Debtor relative to the operation by Debtor of a John Casablancas Modeling & Career Center, and

1 5 PROCEEDS All products and proceeds of the Collateral

2 THE INDEBTEDNESS The security interest hereby granted shall secure IME for all debts of Debtor to IME of whatever nature, including, but not limited to, the Debtor's obligations under that certain Franchise Agreement between the parties dated ______________ ______, _________, whether matured or unmatured, direct or indirect, absolute or contingent, now or hereafter existing (the "Indebtedness")

3 DEBTOR'S COVENANTS Debtor covenants and warrants that unless compliance is waived by IME in writing

3 1 MAINTENANCE OF COLLATERAL Debtor will properly maintain and care for all tangible property constituting part of the Collateral, and will defend the Collateral against any adverse claims and demands resulting from Debtor's actions,

3 2 INSURANCE Debtor will maintain such insurance covering the Collateral as is required pursuant to the franchise Agreement, and

3 3 ABILITY TO DISPOSE OF COLLATERAL Debtor will promptly notify IME in writing of any event which has a material adverse effect on the value of the Collateral, or which adversely affects the ability of Debtor or IME to dispose of the Collateral, or the rights and remedies of IME in relation thereto, including, but not limited to, the levy of any legal process against the Collateral or the adoption of any marketing order, arrangement or procedure affecting the Collateral, whether governmental or otherwise

4 EVENTS OF DEFAULT The occurrence of any one or more of the following events shall be a default under this Security Agreement

4 1 BREACH OF SECURITY AGREEMENT If Debtor fails to cure any breach under this Security Agreement within ten (10) days after receipt of a notice of default from IME, or within such longer time which IME may determine is necessary to cure the default under the circumstances, or

4 2 BREACH OF FRANCHISE If Debtor fails to cure any breach under the Franchise Agreement in accordance with the terms of the Franchise Agreement

5 IME'S REMEDIES UPON DEFAULT In the event of any default, IME may do any one or more of the following

5 1 INDEBTEDNESS DUE AND PAYABLE Declare any Indebtedness secured hereby immediately due and payable, or

5 2 RIGHTS UNDER LAW Exercise the rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law, or

5 3 ASSEMBLE COLLATERAL Require Debtor to assemble the Collateral and any records pertaining thereto and make them available to IME at a place designated by IME, or

5 4 SETTLE CLAIMS Grant extensions and compromises or settle claims for less than face value relative to any Collateral proceeds, all without prior notice to Debtor, or

5 5 NOTICE TO ACCOUNT DEBTOR Notify account debtors to pay over to IME all sums owed by them to Debtor, or

5 6 ATTORNEY-IN-FACT Take such measures as IME may deem necessary or advisable to preserve, process, develop, maintain, protect, care for or insure the Collateral or any portion thereof, and debtor hereby irrevocably constitutes and appoints IME as Debtor's attorney-in-fact to do all acts and things in connection therewith

6 MISCELLANEOUS

6 1 WAIVER Any waiver, express or implied, of any provision hereunder and any delay or failure by IME to enforce any provision hereof shall not affect the rights of IME in any subsequent default

6 2 OTHER AGREEMENTS Debtor shall, at the request of IME, execute such other agreements, documents or instruments in connection with this Security Agreement as IME may reasonably deem necessary All notes, security agreements, subordination agreements and other documents executed by Debtor furnished to IME in connection with this Security Agreement must be in form and substance satisfactory to IME

6 3 GOVERNING LAW This Security Agreement shall be governed by and construed in accordance with the laws of the State of Missouri, provided, however, that this Agreement may be modified if required by the law of the State in which the Debtor's franchise is located

6 4 UNIFORM COMMERCIAL CODE All terms not defined herein are used as set forth in the Uniform Commercial Code

6 5 COST AND ATTORNEY'S FEES Debtor shall immediately reimburse IME for all costs and expenses incurred by IME to protect the Collateral, or to preserve, process, develop, maintain, protect, care for or insure any Collateral In the event of any action to enforce the terms and conditions of this Security Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs as determined by the court

[Signature page follows]

IN WITNESS WHEREOF, Debtor and IME have executed this Security Agreement as of the day and year first above written

IMAGE MARKETING ENTERPRISES, L L C

By ____________________
Name ____________________
Title ____________________
Date ____________________

____
DEBTOR

By ____________________
Name ____________________
Title ____________________
Date ____________________

By ____________________
Name ____________________
Title ____________________
Date ____________________

By ____________________
Name ____________________
Title ____________________
Date ____________________

If Debtor is a corporation, all shareholders owning, beneficially or otherwise, 10 percent or more of capital stock or rights to acquire capital stock

____
Signature
Date ____________________

____
Signature
Date ____________________

____
Signature
Date ____________________

____
Signature
Date ____________________

EXHIBIT D

GUARANTEE AGREEMENT

IMAGE MARKETING ENTERPRISES, L L C

GUARANTEE AGREEMENT

As an inducement to Image Marketing Enterprises, Inc ("**IME**") to execute and deliver the Image Marketing Enterprises Franchise Agreement between IME and ____ ("**Franchisee**") dated ________________, 201___ (the "**Agreement**"), each of the undersigned parties, jointly and severally, hereby unconditionally guarantee to IME and its successors and assigns that all of Franchisee's obligations (monetary and otherwise) under the Agreement as well as any other contract between Franchisee and Franchisor (and/or Franchisor's affiliates) will be punctually paid and performed

Upon demand by IME, the undersigned will immediately make each payment required of Franchisee under the Agreement and/or any other contract with IME and/or its affiliates (including but not limited to payments Franchisee is required to make to IME and its affiliates) The undersigned hereby waive any right to require IME to (a) proceed against Franchisee for any payment required under the Agreement, (b) proceed against or exhaust any security from Franchisee, or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee Without affecting the obligations of the undersigned under this Guarantee, IME may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee The undersigned waive notice of amendment of the Agreement and notice of demand for payment by Franchisee, and agree to be bound by any and all such amendments and changes to the Agreement

The undersigned hereby agree to defend, indemnify and hold IME harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney's fees, reasonable costs of investigation, court costs, and fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement execute and delivered by Franchisee referred to therein

The undersigned hereby acknowledge and agree to be individually bound by all of the covenants contained in the following Sections of the Agreement Section 7 (with respect to trademarks), **Section 8** (with respect to confidentiality), **Section 15** (with respect to transfers of interests in Franchisee), **Section 13** (with respect to obligations after termination of the Agreement), and **Section 14** (with respect to covenants against competition) The undersigned acknowledge and agree that (a) this Guarantee does not grant the undersigned any right to use any of IME's marks (including but not limited to the "John Casablancas" mark) or the system licensed to Franchisee under the Agreement, (b) that they have read, in full, and understand, all of the provisions of the Agreement that are referred to above in this paragraph, and that they intend to fully comply with those provisions of the Agreement as if they were printed here, and

(c) that they have had the opportunity to consult with a lawyer of their own choosing in deciding whether to sign this Guarantee

This Guarantee shall terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Agreement shall remain in force according to their terms Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death, and the obligations of the other guarantors will continue in full force and effect

Unless specifically stated otherwise, the terms used in this Guarantee shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with Section 19 of the Agreement (including but not limited to the waiver of punitive damages, waiver of jury trial, agreement to bring claims within one year, and agreement not to engage in class or common actions) This Guarantee shall be interpreted and construed under the laws of the State of Missouri In the event of any conflict of law, the laws of the State of Missouri shall prevail (without regard to, and without giving effect to, the application of Missouri conflict of law rules)

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Agreement

____________________	____________________	____________________
(in his/her personal capacity)	(in his/her personal capacity)	(in his/her personal capacity)
Printed Name ________________	Printed Name ________________	Printed Name ________________
Date ________________	Date ________________	Date ________________
Home Address	Home Address	Home Address
____________________	____________________	____________________
____________________	____________________	____________________

EXHIBIT E

LIST OF FRANCHISEES

LIST OF FRANCHISED CENTERS
AS OF DECEMBER 31, 2017

STATE OF FRANCHISE	FRANCHISE CENTER ADDRESS	NAME OF CORPORATION	NAME OF OWNERS	FRANCHISE CENTER TELEPHONE NUMBER
California	341 Piercy Road San Jose, CA 95138	Premiere Modeling Enterprises, LLC	Dalena Hoang	408-947-8222
	2900 South Harbor Blvd, Suite 210, Santa Ana, CA 92704	Pacific Enterprises LLC	Don Reitsam	949-505-5080
Connecticut	30 Cold Springs Rd Rocky, CT 06067	Mode Enterprises, Inc	Tina Kiniry	860-563-5959
Florida	7775 Northwest 48th Street, Suite 150 Doral, FL 33166	Dalli Worldwide, LLC	Amy Dalli	305-456-9200
Illinois	1801 South Meyers Road Suite 200 Oakbrook Terrace, IL 60181	Midwest Talent Enterprises	Maria Seibert Robert Seibert	630-396-2340
Indiana	2160 W 86th St, Suite 105 Indianapolis, IN 46260	International Talent Association, LLC	Lauren Flannery	463-202-2702
Michigan	45185 Joy Rd, Suite 101 Canton, MI 48187	A R E of Michigan, Inc	Bernadette Strickland Jack Strickland	734-455-0700
	123 S Main St Suite 140, Royal Oak, MI 48067	A R E of Michigan, Inc	Bernadette Strickland Jack Strickland	734-455-0700

STATE OF FRANCHISE	FRANCHISE CENTER ADDRESS	NAME OF CORPORATION	NAME OF OWNERS	FRANCHISE CENTER TELEPHONE NUMBER
Ohio	5515 Southwyck Blvd Suite 101 Toledo, OH 43614	Elite Elegance, Inc	Bonnie Nagle	419-886-6335
	8351 North High St , Suite 100 Columbus, OH 43235	Community Vocational Schools of Columbus, inc	Maria Seibert Robert Seibert	614-471-6633

LIST OF FRANCHISED CENTERS – INTERNATIONAL
AS OF DECEMBER 31, 2017

COUNTRY OF FRANCHISE	FRANCHISE CENTER ADDRESS	NAME OF OWNERS	FRANCHISE CENTER TELEPHONE NUMBER
Indonesia	Jakarta	Tetty Soeriaatmadja	011-62 21 7253527
Dominican Republic	Santo Domingo	Julio Hazim	809-549-6525
Canada	Vancouver	Jim Falconer Lori Falconer	604-688-0328

LIST OF AFFILIATE OWNED CENTERS
AS OF DECEMBER 31, 2017

STATE	CENTER ADDRESS	CENTER TELEPHONE NUMBER
Arizona	7373 N Scottsdale Road, Suite C180 Scottsdale, AZ 85253	480-941-4838
Colorado	7555 E Hampden Avenue, Suite 104 Denver, CO 80231	303-337-5100
Florida	8401 Benjamin Road Suite G Tampa, FL 33634	813-262-1200
Georgia	One Dunwoody Park Suite 128 Atlanta, GA 30338	770-671-9700
Maryland	9603 Deereco Rd, Suite 302 Timonium, MD 21093	410-308-9888
Minnesota	4801 W 81st Street, Suite 112, Bloomington, MN 55437	763-333-1600
North Carolina	601 Cascade Pointe Lane, Suite 103 Cary, NC 27513	919-677-8300
	810 Tyvola Rd , Suite 100 Charlotte, NC 28217	704-523-6966
Ohio	11353 Reed Hartman Highway, Suite 450, Cincinnati, OH 45241	513-241-8100
Oklahoma	5009 N Pennsylvania, Suite 200 Oklahoma City, OK 73112	405-842-000
	6808 S Memorial Dr , Suite 334 Tulsa, OK 74133	918-459-9900
Pennsylvania	100 N Bucks Town Drive, Suite E 204 Langhorne, PA 19047	215-752-8600
Tennessee	5020 Thoroughbred Lane Brentwood, TN 37027	615-781-2300

STATE	CENTER ADDRESS	CENTER TELEPHONE NUMBER
Texas	2662 North Josey Lane Suite 229 Carrollton, Texas 75007	972-446-0300
	8700 Jameel Suite 130 Houston, Texas 77040	713-996-9600
Wisconsin	16650 Bluemound Road, Suite 600 Brookfield, WI 53045	262-879-1200

In addition to the above Centers, our affiliate anticipates opening a Center in Alexandria, Virginia in 2018

FRANCHISEES WHO LEFT SYSTEM

Don Reitsam
Pacific Enterprises LLC
2900 South Harbor Blvd , Suite 210
Santa Ana, CA 92704
949-505-5080

EXHIBIT F

LIST OF ADMINISTRATORS

LIST OF ADMINISTRATORS

We intend to register this disclosure document as a ' franchise' in some or all of the following states, if required by the applicable state laws If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**NEW YORK** Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department 600 East Boulevard Avenue, State Capitol Fifth Floor, Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Bldg 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Consumer Protection Div , Franchise Section 525 West Ottawa Street G Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 373-7117	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S W Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St Paul, Minnesota 55101 (651) 539-1500	**WISCONSIN** Office of the Commissioner of Securities 201 W Washington Ave , Suite 300 Madison, WI 53703 (608) 261-9555

EXHIBIT G
AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**NEW YORK** New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner 600 East Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Bldg 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 / (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Consumer Protection Div , Franchise Section 525 West Ottawa Street G Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 373-7117	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S W Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce 85 7th Place East, Suite 280 St Paul, Minnesota 55101 (651) 539-1500	**WISCONSIN** Commissioner of Securities 201 W Washington Ave , Suite 300 Madison, WI 53703 (608) 261-9555

EXHIBIT I

FRANCHISEE COMPLIANCE CERTIFICATION

IMAGE MARKETING ENTERPRISES, L L C.
FRANCHISEE COMPLIANCE CERTIFICATION

As you know, Image Marketing Enterprises, L L C (the "**Franchisor**") and you are preparing to enter into a Franchise Agreement for the establishment and operation of John Casablancas Center and Model & Talent Management Agency (together, the "**Center**") The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading Please review each of the following questions and statements carefully and provide honest and complete responses to each

2 The following dates and information are true and correct

a	______________,201__ Initials ____________	The date of my first face-to-face meeting with any person to discuss the possible purchase of a franchise for a Center
b	______________,201__ Initials ____________	The date on which I received Franchisor's Franchise Disclosure Document ("**FDD**")
c	______________,201__ Initials ____________	The date when I received a fully completed copy (other than signatures) of the Franchise Agreement and Addenda (if any) and all other documents I later signed
d	______________,201__ Initials ____________	The date on which I signed the Franchise Agreement

3 Have you received and personally reviewed the Franchise Agreement and each Addendum and related agreement attached to it?

Yes_____ No_____

4 Do you understand all of the information contained in the Franchise Agreement, each Addendum and related agreement provided to you?

Yes_____ No_____

If no, what parts of the Franchise Agreement, Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary)

____

____

____

____

____

____

5 Do you understand that the Franchise Agreement contains a number of provisions that may affect your legal rights, including required arbitration, designated locations or states for any juridical proceedings, a waiver of a jury trial, a waiver of punitive or exemplary damages, limitations on when claims may be filed, and other waivers and limitations?

Yes_____ No_____

6 Have you received and personally reviewed the FDD that was provided to you?

Yes_____ No_____

7 Did you sign a receipt for the FDD indicating the date you received it?

Yes_____ No_____

8 Do you understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

Yes_____ No_____

If No, what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, if necessary)

____

____

____

____

____

9 Have you discussed the benefits and risks of establishing and operating a Center with an attorney, accountant, or other professional advisor?

Yes_____ No_____

If No, do you wish to have more time to do so?

Yes_____ No_____

10 Do you understand that the success or failure of your Center will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes_____ No_____

11 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the revenues, profits or operating costs of a Center operated by the Franchisor or its franchisees, that is contrary to the information contained in the FDD?

Yes_____ No_____

12 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the Center, that is contrary to the information contained in the FDD?

Yes_____ No_____

13 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Center will generate, that is contrary to the information contained in the FDD?

Yes_____ No_____

14 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Center that is contrary to or different from, the information contained in the FDD?

Yes_____ No_____

15 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Center?

Yes_____ No_____

16 Has any employee or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes_____ No_____

17 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes_____ No_____

18 Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes_____ No_____

19 If you have answered "Yes" to any one of questions 10-17, please provide a full explanation of each "yes" answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered "no" to each of questions 10-17, please leave the following lines blank

____

____

____

____

____

20 During my negotiations and evaluations leading up to my decision to buy a Center, I communicated with the following individuals from Image Marketing Enterprises, L L C or its affiliates, or independent brokers

Name	Address
1	
2	
3	
4	
5	

[Insert additional names and addresses below if needed]

21 I signed the Franchise Agreement and Addenda (if any) on__________, 20______, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor

Please understand that your responses to these questions are important to us and that we will rely on them

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions

FRANCHISE APPLICANT

____

EXHIBIT J

CONFIDENTIAL OPERATIONS MANUAL

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EXHIBIT J

CONFIDENTIAL OPERATIONS MANUAL - TABLE OF CONTENTS

MARKETING AND SALES PROMOTION MANUAL

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IME FDD PK 135933 4

SECTION	PAGE

PROMOTIONS CONT'D

SALES TECHNIQUES

Subject	Total Number of Pages Per Subject
Introduction	3
Marketing	11
Client Profile	1
Competition	3
National Marketing	3
Local Marketing	3
Budget Plan	1
Advertising	74
Publicity	37
Promotions	82
Sales Techniques	48
TOTAL PAGES IN MANUAL	**266**

MTM MANUAL

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EXHIBIT K

SOFTWARE LICENSE AGREEMENT

SOFTWARE LICENSE AGREEMENT

This application service provider agreement (the "Agreement") sets out the terms and conditions pursuant to which Image Marketing Enterprises, L L C (herein referred to as "IME"), will make the John Casablancas School Administration Package (as defined herein and herein referred to as "JCSA") available on an IME-hosted basis to ___________________________ ("Customer" or "you")

If you are executing this agreement on behalf of a Company you represent that you have the authority to bind the Company to the terms governing the use of the JCSA

BY SIGNING THIS AGREEMENT, THE CUSTOMER AGREES TO THE FOLLOWING TERMS AND CONDITIONS

1 IME Application Service

During the Term of this Agreement and in accordance with the terms hereof, IME will provide for the Customer access to and the use of the JCSA Online Software (as defined herein), and IME shall provide and the Customer shall be entitled to receive such Support Services (as defined herein) and other related services that are provided for herein (such access, use and services referred to, collectively, as the "Service" or the "IME Application Service")

2 JCSA Online Software

It is acknowledged that the JCSA is composed of 3 modules identified as being the Lead Management System ("LMS"), School Administration System Phase II, and the School Administration System Phase III, and that any reference herein to JCSA refers only to those modules that the Customer is entitled to access through the IME Site in virtue of that Customer having paid the applicable fee as identified in Schedule "A" attached hereto

3 License

Subject to the provisions of this Agreement, IME hereby grants to the Customer a limited, personal, non-exclusive, non-transferable, revocable license (the "License") for the use of the JCSA Software, together with user guides, manuals or other documentation related thereto (including, but not limited to Exhibit I to the Franchise Offering Circular tendered as of the date hereof by IME to Customer), during the Term of this Agreement The License allows for the Customer's employees and/or online users (collectively, "Users") at one physical address to access remotely and use (only through a web browser) the object code version of the JCSA Software by means of the JCSA Website currently located at http //jcsa jcasablancas com (the "JCSA Site") for the Customer's internal business purposes only and otherwise in accordance with this Agreement

4 Restrictions

The Customer agrees that it will not, and will not allow its directors, officers, or employees or agents to

(a) reverse assemble, reverse engineer, decompile, alter, add to, delete from or otherwise attempt to modify or derive source code from the JCSA Software or any component thereof,

(b) copy, reproduce, modify, sell, lease, sublicense, market or commercially exploit in any way the JCSA Software or any component thereof other than as expressly agreed to in this Agreement,

(c) use, or permit the use of, the JCSA Application Service or any component thereof to perform information processing or any other function whatsoever for any other person, entity or business including, without limitation, providing information processing for a third party in any service bureau, time sharing, lease, distribution, resale, rental, application service provider agreement or any other arrangement,

(d) disclose or grant access to a Unique Identifiers (as that term is defined herein), the JCSA Software or any component thereof to any third party other than one to whom IME has consented in writing, or

(e) make more than one copy of the JCSA Documentation per User

(f) use any software from outside vendors for the purposes contemplated by the JCSA Online Software

(g) use, or permit the use of, the JCSA software at a physical address other than the one specified in this agreement

5 Access to JCSA Application Service

The Customer shall access the JCSA Application Service by means of the browser that is recommended by IME and using equipment obtained by the Customer as further described in Section 15 The Customer shall access the JCSA Application Service through the JCSA Site and by entering the appropriate User ID and Password (the "Unique Identifiers") Subject to the terms of this Agreement, IME shall either provide the Customer with the Master Unique Identifier that will allow the Customer to issue Unique Identifiers to Users, or IME shall issue the Unique Identifiers directly In all cases the Customer shall assign, record and control the use of the Unique Identifiers and will be solely responsible for any use thereof For greater certainty, IME will not be responsible for the use or misuse of any Unique Identifiers

6 Compliance and Operation

You must provide us with unimpeded access to the JCSA Online Software as loaded on your computer system in the manner, form, and at the times we may request We will have ındependent access to the system and we wıll have the rıght at any tıme to retrıeve and use data and ınformatıon from the system that we deem necessary or desırable In vıew of the contemplated ınterconnectıon of computer systems and the necessıty that such systems be compatıble wıth each other to the greatest practıcal extent, you agree to comply wıth our standards and specıfıcatıons for all ıtems assocıated wıth the JCSA Onlıne Software, and wıth respect to computer upgrades, and to otherwıse operate the JCSA Onlıne Software

7 **Support Servıces**

IME shall provıde very lımıted onlıne software support servıces ("Support Servıces") to Customers through telephone support whıch shall be avaılable between the hours of 9 00 am and 4 30 p m , Central Tıme Addıtıonal telephone and on-sıte support can be made avaılable to Customers for a fee to be agreed upon between IME and the Customer IME shall not be requıred to provıde Support Servıces (a) to any person other than the Customer, and (b) ın respect of any software other than the JCSA Software

8 **Exclusıons to Support Servıces**

IME shall have no oblıgatıon of any kınd to provıde Support Servıces for problems ın the operatıon or performance of the JCSA Software due ın whole or ın part to any of the followıng (ı) Modıfıcatıons or alteratıons made to any portıon of the JCSA Software by a party other than IME or a party expressly authorızed by IME, (ıı) Customer's use of the JCSA Software ın a manner that ıs not expressly authorızed ın thıs Agreement, the Schedule(s), or as provıded ın the Documentatıon, (ııı) Use of software, hardware or operatıng systems, parts or supplıes that do not meet or conform wıth the system requırements and expressly authorızed by IME ın the Documentatıon, or (ıv) Improper sıte preparatıon to the extent not performed by IME

9 **Fees**

In consıderatıon for provıdıng the Servıces and the Lıcense, the Customer shall pay to IME the fees set out ın Schedule "A" (the "Fees"), wıthout any set-off or deductıons of any kınd, as such Schedule may be amended from tıme to tıme ın accordance wıth the terms hereof IME shall have the rıght to ıncrease the Fees at any tıme durıng the Term of thıs Agreement provıded that IME shall gıve the Customer at least 30 days prıor wrıtten notıce of ıts ıntentıon to ıncrease the Fees The ıncrease ın the Fees shall be effectıve on the date stıpulated ın such notıce, provıded that the effectıve date shall be no earlıer than 30 days from the date of such notıce

10 **Fee Payment**

The Customer must provıde IME wıth valıd credıt ınformatıon as a condıtıon to sıgnıng up for the JCSA Applıcatıon Servıce Dependıng on the preference of the Customer, IME wıll automatıcally bıll saıd credıt card as follows

(a) each month on the annıversary date of thıs Agreement, or

(b) annually on the anniversary date of this Agreement

If for whatever reason IME is unable to bill the credit card then the Customer shall have 15 days after receiving notification from IME to make alternative arrangements for payment Amounts which have not been paid within the 15 days of the Customer receiving such notice will be subject to a late payment charge at the rate of 18% per annum calculated daily, payable monthly, on the amounts outstanding from the time such amounts become due until payment is received by IME Any amount received by IME while late payment charges are outstanding will be applied first to interest owed

11 **Taxes**

Prices set out herein are exclusive of all taxes and the Customer shall pay (and IME shall have no liability for), any taxes, tariffs, duties and other charges or assessments imposed or levied by any government or governmental agency in connection with this Agreement, including, without limitation, any federal, state and local sales, use, goods and services, value-added and personal property taxes on any payments due IME in connection with the Services provided hereunder, except for tax based solely on the net income of IME

12 **Remedies in the Event of Failure to Pay**

If, after having been given ten days written notice, the Customer defaults in payment of any amount when due or any interest thereon, then IME may, in addition to any other rights or remedies at law or under this Agreement, and in its sole discretion, deny access to or use of the Service or the performance of any of its obligations under this Agreement until such failure is remedied, or terminate this Agreement

13 **Ownership**

The Customer acknowledges and agrees that IME shall retain and own all right, title and interest and all intellectual property rights (including copyrights, trade secrets, trade-marks and patent rights) in and to the JCSA Software and all related documentation and the JCSA Site (collectively, the "JCSA Materials") and all copies thereof, and that nothing herein transfers or conveys to the Customer any ownership right, title or interest in or to the JCSA Materials or to any copy thereof or any license right with respect to same not expressly granted herein The Customer agrees that it will not, either during or after the termination of this Agreement, contest or challenge the ownership of the intellectual property rights in the JCSA Materials by IME Customer hereby assigns and promises to assign to IME, all of its worldwide right, title and interest, including without limitation, all patents, copyrights, and trade secret rights in and to the JCSA Software and any form of the JCSA Software created by Customer, including, without limitation, any derivative work, modification, version, enhancement, improvement, embodiment or form or portion thereof Should Customer recommend improvements or enhancements to JCSA or should Customer, contrary to the terms of this Agreement, develop, produce, invent or create any improvements or enhancements to JCSA such improvements or enhancements shall become the property of IME without any reimbursements or remuneration due to Customer Customer shall execute any instrument IME shall reasonably deem necessary or desirable to obtain registrations for the Trademarks, Copyrights or Patents emanating from such improvements or enhancements or to otherwise vest intellectual property rights in IME

14 Ownership of the Customer Data

IME acknowledges that all the Customer data, including data transmitted by the Customer to IME for processing using the JCSA Application Service ("the Customer Data") and the Customer systems used by the Customer to access the JCSA Application Service shall be and remain the property of the Customer IME shall have the right to use and reproduce the Customer Data solely to the extent necessary to provide the Services and fulfill its obligations to the Customer hereunder However IME may and will use such information for the calculation of statistics within the IME system and for the calculation of the Service and Management fees

15 Access to JCSA Application Service

The Customer is responsible for obtaining all hardware, software and services which are necessary to connect to the JCSA Site and access the Services including without limitation, all computers, web browsers, and broad band services provided by an Internet service provider All such facilities and services shall comply with IME's interface specifications for the Services described in the JCSA Documentation or as otherwise required by IME, if any

16 Customer Security Responsibilities

To the extent deemed necessary by the Customer, the Customer shall implement security procedures necessary to limit access to the Service to the Customer's Users The Customer shall notify IME immediately if there is a security breach or unauthorized use of the Service The Customer shall permit IME to attend at the Customer's premises on reasonable notice in order to review/audit the Customers use of the JCSA Online Software and the JCSA Application Service

17 Customer Personnel

The Customer is responsible for establishing throughout the Term of this Agreement the designated point of contact (the "Administrator") to communicate with IME

18 Customer Data

IME will not be responsible or liable for any loss, damage or inconvenience suffered by the Customer or by any third person arising out of the use of the Service by the Customer

19 Customer Systems

IME shall have no responsibility for the performance, adequacy, accuracy, concurrency or other matters related to the Customer systems

20 Export

The Customer agrees that it shall not export or re-export the JCSA Online Software or any copies thereof, either directly or indirectly, outside of the jurisdiction in which such materials are accessed by Users except in compliance with all applicable laws, ordinances and regulations The Customer shall have the exclusive obligation to ensure that any export of the JCSA Online Software is in compliance with all applicable export laws and the laws of any foreign country

21 Provision of Releases

At its sole option, IME shall be entitled to prepare new versions of the JCSA Online Software that IME generally makes available to the Customers ("Update Releases") IME exclusively shall determine whether Update Releases shall be included in the JCSA Online Software provided pursuant to the Services At any time, IME may install any Update Releases and use it to provide the Services

22 Right to Modify the JCSA Application Service

(1) IME may from time to time, in its sole discretion, change some or all of the functionality or any component of the JCSA Application Service or make any modification for the purpose of improving the performance, service quality, error correction or to maintain the competitiveness of the Service

(2) If IME desires to make any modification which would adversely affect the use of the JCSA Online Software, IME shall provide the Customer with 30 days prior notice (the "Notice Period") in writing of its intention to make such modification, including a description of its impact on the JCSA Application Service and the Services

23 Confidential Information

(1) Each party acknowledges that confidential information (including trade secrets and confidential technical, financial and business information (collectively, "Confidential Information") may be exchanged between the parties pursuant to this Agreement Each party shall use no less than the same means it uses to protect its similar confidential and proprietary information, but in any event not less than reasonable means, to prevent the disclosure and to protect the confidentiality of the Confidential Information of the other party Each party agrees that it will not disclose or use the Confidential Information of the other party except for the purposes of this Agreement and as authorized herein The Customer will promptly report to IME any unauthorized use or disclosure of IME's Confidential Information that the Customer becomes aware of and provide (at the expense of IME or its licensors) reasonable assistance to IME (or its licensors) in the investigation and prosecution of any such unauthorized use or disclosure

(2) Notwithstanding Section 23(1) the Recipient of Confidential Information may use or disclose the Confidential Information to the extent that such Confidential Information is (i) already known by the Recipient without an obligation of confidentiality, (ii) publicly known or becomes publicly known through no unauthorized act of the Recipient,

(iii) rightfully received from a third party without any obligation of confidentiality, (iv) independently developed by the Recipient without use of the Confidential Information of the Disclosing Party, (v) approved by the Disclosing Party for disclosure, or (vi) required to be disclosed pursuant to a requirement of a governmental agency or law so long as the Recipient provides the other party with notice of such requirement prior to any such disclosure and takes all reasonable steps available to maintain the information in confidence

(3) The Customer shall, and shall cause all Users to, safeguard and maintain the Confidential Information of IME in strict confidence and shall not, and shall cause all Users not to, disclose, provide, or make such Confidential Information or any part thereof available in any form or medium to any person except to the Customer's employees, contractors and consultants who have a need to access such IME Confidential Information in order to enable the Customer to exercise its rights under this Agreement The Customer also agrees not to (i) disclose to third parties (whether in writing or orally) any benchmark test data related to the JCSA Application Service, and (ii) use IME's Confidential Information to create any computer software or documentation that is substantially similar to the JCSA Online Software

24 Protection of Proprietary Rights

The Customer shall not remove any proprietary, copyright, patent, trademark, design right, trade secret, or any other proprietary rights legends from the IME Materials

25 Right to Perform Services for Others

The Customer recognizes that IME is in the business of providing computer and information technology services and may perform services for other persons similar to the Customer Subject to IME's confidentiality obligations pursuant to Section 23, IME retains the right and nothing shall prevent IME from using any ideas, concepts, methods, processes, know-how, organization, techniques or any software, including the JCSA Materials, in providing any services to any third person

26 Limited Warranty

IME warrants that the Service will substantially conform to the related IME Documentation, with the exception of beta level Software or Online Software For any breach of this warranty or the failure of IME to provide the Service as required herein (a "Deficiency"), the Customers sole and exclusive remedies and IME's entire obligations hereunder shall be for IME to provide the Services that are the subject of the Deficiency and in no case shall the remedy exceed the actual IME monthly charge for Software or Online Software for the period of any Deficiency The remedies in this Section 26 are expressly in lieu of any or all other remedies which may be available to the Customer resulting from the furnishing, the failure to furnish or the quality of any Service IME does not warrant the accuracy of any data or information furnished to the Customer that is created from the Customer Data, the Customer Systems or software supplied by the Customer

27 Warranty Disclaimer

(1) EXCEPT AS EXPRESSLY PROVIDED HEREIN, IME EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, REPRESENTATIONS, WARRANTIES AND CONDITIONS OF SATISFACTORY QUALITY, PERFORMANCE, MERCHANTABILITY, MERCHANTABLE QUALITY, DURABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM A COURSE OF DEALING OR USE OF TRADE THE CUSTOMER ACKNOWLEDGES AND AGREES THAT THE LICENSORS AND SUPPLIERS OF IME MAKE NO DIRECT WARRANTY OF ANY KIND TO THE CUSTOMER UNDER THIS AGREEMENT

(2) IME DOES NOT REPRESENT OR WARRANT THAT (i) THE SERVICES OR JCSA APPLICATION SERVICE WILL MEET THE CUSTOMER'S BUSINESS REQUIREMENTS, (ii) THE SERVICES OR JCSA APPLICATION SERVICE WILL BE ERROR-FREE OR UNINTERRUPTED OR THAT THE RESULTS OBTAINED FROM ITS USE WILL BE ACCURATE OR RELIABLE, OR (iii) ALL DEFICIENCIES IN THE SERVICES OR JCSA APPLICATION SERVICE CAN BE FOUND OR CORRECTED FURTHER, THE JCSA APPLICATION SERVICE MAY BE INTERRUPTED OR UNAVAILABLE FOR THE PURPOSES OF PERFORMING MAINTENANCE OR UPGRADES IME WILL NOT BE RESPONSIBLE FOR (a) SERVICE IMPAIRMENTS CAUSED BY ACTS WITHIN THE CONTROL OF THE CUSTOMER OR ANY USER, (b) INTEROPERABILITY OF SPECIFIC CUSTOMER APPLICATIONS OR EQUIPMENT, (c) INABILITY OF THE CUSTOMER TO ACCESS OR INTERACT WITH ANY OTHER SERVICE PROVIDER THROUGH THE INTERNET, OTHER NETWORKS OR USERS THAT COMPRISE THE INTERNET OR THE INFORMATIONAL OR COMPUTING RESOURCES AVAILABLE THROUGH THE INTERNET, (d) INTERACTION WITH OTHER SERVICE PROVIDERS, NETWORKS, USERS OR INFORMATIONAL OR COMPUTING RESOURCES THROUGH THE INTERNET, (e) SERVICE PROVIDED BY OTHER SERVICE PROVIDERS, OR (f) PERFORMANCE IMPAIRMENTS CAUSED ELSEWHERE ON THE INTERNET

28 Limit of Liability

(1) FOR ANY BREACH OR DEFAULT BY IME OF ANY OF THE PROVISIONS OF THIS AGREEMENT, OR WITH RESPECT TO ANY CLAIM ARISING HEREFROM OR RELATED HERETO, IME'S ENTIRE LIABILITY, SHALL IN NO EVENT EXCEED ANY OF THE FOLLOWING (i) THE FEES PAID TO IME BY THE CUSTOMER PURSUANT TO THIS AGREEMENT IN THE CALENDAR MONTH IN RESPECT OF WHICH THE CAUSE OF ACTION FIRST AROSE UNLESS THE CAUSE OF ACTION IS A CONTINUING ONE, IN WHICH CASE IT SHALL INCLUDE THE FEES PAID TO ME BY THE CUSTOMER PURSUANT TO THIS AGREEMENT FOR ALL ADDITIONAL MONTHS OR (ii) IN THE AGGREGATE WITH RESPECT TO ALL CLAIMS MADE UNDER OR RELATED

TO THIS AGREEMENT, THE AMOUNT PAID BY THE CUSTOMER UNDER THIS AGREEMENT

(2) IN NO EVENT WILL IME BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL LOSS OR DAMAGE, LOST BUSINESS REVENUE, LOSS OF PROFITS, LOSS OF DATA, LOSS OF COVER, DAMAGES FOR DELAY, PUNITIVE OR EXEMPLARY DAMAGES, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS OR ANY CLAIM AGAINST IME BY ANY OTHER PERSON, EVEN IF IME HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSSES OR DAMAGES

(3) IME SHALL NOT BE LIABLE FOR UNAUTHORIZED ACCESS TO OR ALTERATION, THEFT, LOSS OR DESTRUCTION OF ANY DATA, EQUIPMENT OR THE SERVICES, INCLUDING WITHOUT LIMITATION THROUGH ACCIDENT, FRAUDULENT MEANS OR DEVICES, OR ANY OTHER METHOD

(4) IME SHALL BE LIABLE TO THE CUSTOMER AS EXPRESSLY PROVIDED IN THIS AGREEMENT BUT SHALL HAVE NO OTHER OBLIGATION, DUTY, OR LIABILITY WHATSOEVER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE TO THE CUSTOMER THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS IN THIS AGREEMENT SHALL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND, OR ACTION BY THE CUSTOMER, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT, NEGLIGENCE, TORT, OR ANY OTHER LEGAL THEORY AND SHALL SURVIVE A FUNDAMENTAL BREACH OR BREACHES OR THE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR OF ANY REMEDY CONTAINED HEREIN

(5) Neither party shall be responsible or liable for any loss, damage or inconvenience suffered by the other or by any third person, to the extent that such loss, damage or inconvenience is caused by the failure of the other party to comply with its obligations under this Agreement

(6) Neither party may bring an action, regardless of form, arising out of or related to this Agreement (other than to recover fees or expenses due to IME) more than two years after the cause of action has arisen or the date of discovery of such cause, whichever is later

(7) The Customer agrees to indemnify and hold IME, its affiliates, employees, officers, directors, member, managers and shareholders harmless from and against any claims, suits, actions or proceedings (a "claim") brought and damages, costs (including attorney's fees) or judgments awarded against IME that arise from or in connection with (i) Claims by any person or entity to the extent that such Claims are based upon or arise out of the Customer's use of the Services or the Customer's actions, (ii) breach by the Customer of this Agreement or (iii) the Customer's failure to comply with all applicable laws IME shall give the Customer prompt written notice of such claims, permit the

Customer to defend and/or settle such claims, and give the Customer all information and assistance reasonably requested by the Customer in connection with such claims

29 **Term of Agreement**

This Agreement and the License granted herein shall continue until this Agreement is terminated by either party by giving the other no less than thirty (30) days prior written notice or otherwise terminated in accordance with the provisions hereof

30 **Termination**

This Agreement may be terminated

(a) by IME if the Customer fails to make any payment when due or any interest thereon to IME under this Agreement and fails to cure such default within ten (10) days of receiving notice from IME to do so,

(b) by IME if the Customer violates any provision of the Franchise Agreement between the parties and fails to cure such default within ten (10) days of receiving notice from IME to do so,

(c) by the Customer by providing written notice to IME within thirty (30) days of receiving notification from IME of any change in the Service, including any change in policy, rate or fee for the Service,

(d) by either party in the event the other party materially breaches any of its duties, obligations or responsibilities under this Agreement and fails to cure such breach or provide the other party with an acceptable plan for curing such breach within sixty (60) days after receipt by the breaching party of written notice specifying the breach, or

(e) by either party in the event either party shall (i) file a voluntary petition seeking liquidation, reorganization, arrangement or readjustment, in any form, of its debts under Title 11 of the United States Code (or corresponding provisions of future laws) or any other Federal or state insolvency law, or file an answer consenting to or acquiescing in any such petition, (ii) make any assignment for the benefit of its creditors or admit in writing its inability to pay its debts as they mature, or (iii) have filed against it an involuntary petition under Title 11 of the United States Code (or corresponding provisions of future laws), seeking an application for the appointment of a receiver for the assets of such party, or an involuntary petition seeking liquidation, reorganization, arrangement or readjustment of its debts under any other Federal or state insolvency law, provided that the same shall not have been vacated, set aside or stayed within sixty (60) days after filing, then the other party may immediately terminate this Agreement upon notice to such party

31 **Effect of Termination**

Except to the extent agreed to in writing by the parties, upon the termination of this Agreement

(a) IME shall be entitled to immediately cease providing the Services,

(b) IME shall be entitled to immediately terminate the Customer's access to the JCSA Application Service,

(c) the Customer shall forthwith pay to IME all amounts owing under this Agreement on the date of termination,

(d) where the Customer has paid fees for months in advance, IME shall refund to the Customer such amount less any monthly charges calculated in accordance with Schedule "A", less an amount equal to three month's fees and other fees that may be due and owing for services rendered as of the date of termination,

(e) the Customer shall, and shall cause its Users to, immediately and permanently cease to use, in any manner whatsoever, the JCSA Application Service, the Unique Identifiers and the JCSA Documentation, and

(f) the License granted under Section 3 will automatically terminate

32 **Return of Confidential Information**

Upon the termination of this Agreement for any reason whatsoever, each party may request of the other that all documents, information, data and/or software however recorded, which contain any of the other's Confidential Information be returned, provided that the party shall be entitled to charge a reasonable fees and materials charge for doing so If no request is received for the return of Confidential Information within 30 days of the termination of this Agreement, the Confidential Information shall be destroyed within a reasonable time thereafter and shall not be used for any purpose whatsoever

33 **Survival**

The parties hereto agree that the provisions hereof requiring performance or fulfillment after the expiry or earlier termination of this Agreement shall survive such expiry or earlier termination The provisions of this Agreement relating to ownership, confidential information, warranty disclaimer, and limits of liability shall survive the expiration or termination of this Agreement

34 **Independent Contractor**

IME employees shall not be deemed at any time to be employees or servants of the Customer and IME is and shall remain an independent contractor for all purposes Unless otherwise agreed to in writing, IME does not undertake to perform any obligation of the Customer, whether regulatory or contractual, or to assume any responsibility for the Customer's business or operations

35 **General**

(a) Notice

IME may give notice by means of a general notice through the Service, electronic mail to your email address on record in IME's account information, or by written communication sent by first class mail to your address on record in IME's account information You may give notice to IME at any time by any of the following electronic mail to rickgans@imestl com, letter sent by confirmed facsimile to IME at the following fax number (636) 536-4352, letter delivered by nationally recognized overnight delivery service or first class postage prepaid mail to IME at the following address

Image Marketing Enterprises, LLC
Attn Mr Richard Gans
648 Trade Center Blvd
Chesterfield, MO 63005

(b) Force Majeure

If the performance of this Agreement, or any obligation thereunder except the making of payments hereunder is prevented, restricted, or interfered with by reason of fire, flood, earthquake, explosion or other casualty or accident or act of God, strikes or labor disputes, inability to procure or obtain delivery of parts, supplies, power, telecommunication services, equipment or software from suppliers, war or other violence, any law, order proclamation, regulation, ordinance, demand or requirement of any governmental authority, or any other act or condition whatsoever beyond the reasonable control of the affected party, the party so affected shall be excused from such performance to the extent of such prevention, restriction or interference, provided, however, that the party so affected shall take reasonable steps to avoid or remove such cause of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed

(c) Customer Rights

Nothing in this Agreement shall create or vest in the Customer any right, title, or interest in the JCSA Application Service or the JCSA Materials other than the limited right to use the Service under the terms and conditions of this Agreement All such rights shall remain in IME

(d) Severability

To the extent that any provision, portion or extent of this Agreement is deemed to be invalid, illegal or unenforceable, such provision, portion or extent shall be severed and deleted or limited so as to give effect to the intent of the parties insofar as possible and the remainder of this Agreement, as the case may be, shall remain binding upon the parties

(e) Assignment

The Customer may not, without IME's prior written consent, assign or transfer this Agreement, or any of its rights or obligations under this Agreement to any third person (in this Section an "Assignee") except to an Affiliate, or as part of the sale of all of the assets of the Customer, provided that (i) the Assignee undertakes in writing to IME to fully perform and be bound by the provisions of this Agreement, (ii) the Assignee does not develop or market products or services competitive with the JCSA Online Software or the JCSA Application Service, and (iii) the Customer shall indemnify and hold IME harmless from and against the breaches and defaults of the Assignee under the Agreement IME may assign this Agreement to any third person without the consent of the Customer provided that IME shall notify the Customer in writing of any such assignment IME may delegate to affiliates of IME and to agents, suppliers and contractors of IME any of the obligations herein imposed upon IME and IME may disclose to any such persons any information required by them to perform the duties so delegated to them, but such delegation shall not relieve IME of its performance obligations hereunder

(f) Waiver and Amendment
IME reserves the right to change the terms and conditions of this Agreement or its policies relating to the Service at any time and shall notify you of such change in accordance with the notification provisions hereof Continued use of the Service for more than thirty (30) days after any such change shall constitute your consent to such changes

(g) Governing Law
This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri without reference to its conflict or choice of law rules or principles The Customer hereby submits to the non-exclusive jurisdiction of the courts of the State of Missouri for any legal action arising out of this Agreement or the performance of the obligations hereunder or thereunder

IME and Customer have executed this Agreement by duly authorized representatives

Customer Name	Image Marketing Enterprises, L L C
Signature ______________________	Signature ______________________
Name ______________________	Name ______________________
Title ______________________	Title ______________________
Date ______________________	Date ______________________

Physical Address of Location
Covered by Licensee

____

____

SCHEDULE A

Fees

1 An initial fee, in the amount of Two Thousand Two Hundred Ninety-Five dollars ($2,295), payable to IME upon signing this Agreement

2 A recurring John Casablancas School Administration System fee in the amount of $400 each month during the term of this Agreement

EXHIBIT L

GENERAL RELEASE

The following is our current general release agreement that we may require a franchisee and/or transferor to sign as part of a renewal or an approved transfer We may, in our sole discretion, periodically modify our form of the release agreement

General Release

THIS GENERAL RELEASE (the "**Release**") is made and entered into on this ______day of __________________, 201__ (the "**Effective Date**"), by and between

- Image Marketing Enterprises, LLC, a Missouri limited liability company whose principal place of business is 648 Trade Center Blvd , Chesterfield, MO 63005 ("**Franchisor**"), and
- ____a [resident of] [corporation organized in] [limited liability company organized in] _______________and having offices at ____ [("**Franchisee**")] [("**Transferor**")]

BACKGROUND

A Franchisor and Franchisee are party to a Franchise Agreement dated ________________ (the "**Franchise Agreement**"),

B Franchisor and Franchisee have agreed, pursuant to the Franchise Agreement, [to renew or extend Franchisee's rights under the Franchise Agreement (the "**Renewal Transaction**")] [to permit a transfer or assignment of ______________ pursuant to Section 12 of the Franchise Agreement (the "**Transfer Transaction**")], and in connection with the [Renewal Transaction] [Transfer Transaction], Franchisor and [Franchisee] [Transferor] have agreed to execute this Release, along with such other documents related to the approved [Renewal Transaction] [Transfer Transaction]

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby agree as follows

1 Release [Franchisee] [Transferor], its officers and directors and Principals, and their respective agents, heirs, administrators, successors and assigns (the "**Franchisee Group**"), hereby forever release and discharge, and forever hold harmless Franchisor, its current and former affiliates and predecessors, and their respective shareholders, partners, members, directors, officers, agents, representatives, heirs, administrators, successors and assigns (the "**Franchisor Group**") from any and all claims, demands, debts, liabilities, actions or causes of action, costs, agreements, promises and expenses of every kind and nature whatsoever, at law or in equity, whether known or unknown, foreseen and unforeseen, liquidated or unliquidated, which [Franchisee] [Transferor] and/or its Principals had, have or may have against any member of the Franchisor Group, including, without limitation, any claims or causes of action arising from, in connection with or in any way related or pertaining, directly or indirectly, to the Franchise Agreement, the relationship created by the Franchise Agreement, or the development,

ownership or operation of the Center The Franchisee Group further indemnifies and holds the Franchisor Group harmless against, and agrees to reimburse them for any loss, liability, expense or damages (actual or consequential) including, without limitation, reasonable attorneys', accountants' and expert witness fees, costs of investigation and proof of facts, court costs and other litigation and travel and living expenses, which any member of the Franchisor Group may suffer with respect to any claims or causes of action which any customer, creditor or other third party now has, ever had, or hereafter would or could have, as a result of, arising from or relating to the Franchise Agreement or the Center The Franchisee Group and its Principals represent and warrant that they have not made an assignment or any other transfer of any interest in the claims, causes of action, suits, debts, agreements or promises described herein

2 General Terms

2 1 This Release shall be binding upon, and inure to the benefit of, each party's respective heirs, representatives, successors, and assigns

2 2 This Release shall take effect upon its acceptance and execution by each of the parties hereto

2 3 This Release may be executed in counterparts, and signatures exchanged by fax, and each such counterpart, when taken together with all other identical copies of this Release also signed in counterpart, shall be considered as one Release

2 4 The captions in this Release are for the sake of convenience only, and shall neither amend nor modify the terms hereof

2 5 [For Maryland franchisees, add this paragraph] The parties agree that all actions arising under this Release must be commenced in the state or federal court of general jurisdiction in Maryland, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts This Release shall be interpreted and construed under the laws of the State of Maryland In the event of any conflict of law, the laws of the State of Maryland shall prevail (without regard to, and without giving effect to, the application of Maryland conflict of law rules)

2 6 This Release constitutes the entire, full, and complete agreement between the parties concerning the subject matter hereof, and supersedes all prior agreements and communications concerning the subject matter hereof No other representations have induced the parties to execute this Release The parties agree that they have not relied upon anything other than the words of this Release in deciding whether to enter into this Release

2 7 No amendment, change, or variance from this Release shall be binding on either party unless in writing and agreed to by all of the parties hereto

3 [For California franchisees, add this paragraph] Each of the Franchisee Related Parties expressly waives and relinquishes all rights and benefits which either may now have or in the future have under and by virtue of California Civil Code Section 1542 The parties do so

understanding the significance and consequence of such specific waiver Section 1542 provides that "[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor" For the purpose of implementing a general release and discharge as described in Section 1 above, the parties expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims described in Section 1 above which the parties do not know or suspect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims

4 [For Maryland franchisees, add this paragraph] This Release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Release in duplicate on the day and year first above written

Image Marketing Enterprises, LLC Franchisor	______________________________
By ______________________________	By ______________________________
Name ______________________________	Name ______________________________
Title ______________________________	Title ______________________________

EXHIBIT M

STATE-SPECIFIC DISCLOSURES AND AGREEMENT AMENDMENTS

California Disclosure

In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code §§ 31000-31516, and the California Franchise Relations Act, Cal Bus & Prof Code §§ 20000-20043, the Franchise Disclosure Document for Image Marketing Enterprises, L L C in connection with the offer and sale of franchises in the State of California shall be amended to include the following

1 Our website, www jcasablancas com, has not been reviewed or approved by the California Department of Business Oversight Any complaints concerning the content of the website may be directed to the California Department of Business Oversight at www dbo ca gov

2 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

3 Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 79a et seq , suspending or expelling such persons from membership in such association or exchange

4 You must sign a general release if you renew or transfer your franchise California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043)

5 Item 17 is supplemented with the following

The California Franchise Relations Act provides additional rights to franchisees concerning termination, transfer or non-renewal If any of the provisions of the Franchise Agreement conflict with the California Franchise Relations Act, the provisions of the California Franchise Relations Act will control

The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C § 101, et seq)

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise This provision may not be enforceable under California law

The Franchise Agreement requires binding arbitration The arbitration will take place in Missouri, with the costs being borne by each party Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

The Franchise Agreement requires application of the laws of the state of Missouri This provision may not be enforceable under California law

6 Item 17(s) shall be deleted and the following substituted in lieu thereof

Provision	Section in Franchise Agreement	Summary
s Modification of the agreement	§ 21 of Franchise Agreement	Must be in writing by both parties, Section 31125 of the California Corporations Code requires us to give you a disclosure document in the form approved by the Commissioner of Business Oversight before asking you for a material modification of an existing franchise

7 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law, and the California Franchise Relations Act, are met independently without reference to this Addendum to the Disclosure Document

Hawaii Disclosure

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E-1, et seq , the Image Marketing Enterprises, L L C Franchise Disclosure Document for use in the State of Hawaii shall be amended as follows

THESE FRANCHISES WILL BE FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, AND THIS ADDENDUM, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE

THIS ADDENDUM AND THE DISCLOSURE DOCUMENT CONTAIN A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND FRANCHISEE

1 Item 20 shall be amended by the addition of the following

This proposed registration is currently exempt in Florida, Kentucky, Nebraska Utah, and Texas This proposed registration is or will shortly be on file in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin No states have refused, by order or otherwise, to register these franchises No states have revoked or suspended the right to offer these franchises The proposed registration of these franchises has not been involuntarily withdrawn in any state

2 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law (Hawaii Rev Stat §§ 482E-1 et seq) are met independently without reference to this Addendum to the Disclosure Document

Hawaii Amendment to the Franchise Agreement

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev Stat §§ 482E-1 et seq , the parties to the Image Marketing Enterprises, L L C Franchise Agreement (the "Agreement") agree as follows

1 Section 2 5 of the Agreement, under the heading "Term," shall be deleted in its entirety, and shall have no force or effect, and the following shall be substituted in lieu thereof

> 2 5 Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directors, agents, and employees, excluding only such claims as Franchisee may have that arise under the Hawaii Franchise Investment Law

2 Section 15 3 13 of the Agreement, under the heading "Transferability of Interest," shall be deleted in its entirety, and shall have no force or effect, and the following shall be substituted in lieu thereof

> 15 3 13 Franchisee and each of its partners, shareholders, officers and directors shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its shareholders, officers, directors, employees and agents, excluding only such claims as the transferor may have that arise under the Hawaii Franchise Investment Law

3 Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, (Hawaii Rev Stat §§ 482E-1 et seq) are met independently without reference to this Amendment

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Hawaii amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By ________	By ________
Name ________	Name ________
Title ________	Title ________
Date ________	Date ________
	By ________
	Name ________
	Title ________
	Date ________
	By ________
	Name ________
	Title ________
	Date ________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date ________	Date ________
Signature	Signature
Date ________	Date ________

Illinois Disclosure

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill Comp Stat §§ 705/1 to 705/44 the Uniform Disclosure Document for Image Marketing Enterprises, L L C for use in the State of Illinois shall be amended as follows

1 The "Summary" section of Item 17(v), entitled "Choice of forum," is deleted in its entirety and replaced with the following

> However, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void under Section 4 of the current Illinois Franchise Disclosure Act

2 The "Summary" section of Item 17(w), entitled "Choice of law," is deleted in its entirety and replaced with the following

> However, except for federal law, Illinois law applies if the jurisdiction requirements of the Illinois Franchise Disclosure Act of 1987 (as amended) are met

3 This Addendum shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently, without reference to this Addendum

Illinois Amendment to the Franchise Agreement

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill Comp Stat §§ 705/1 to 705/44, the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement (the "Agreement") agree as follows

1 Sections 19 1 and 23 of the Franchise Agreement are deleted

2 Section 19 3 of the Agreement, shall be amended by the addition of the following language

> Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act is void

3 Section 19 4 of the Agreement, shall be amended by the addition of the following language

> Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Illinois Franchise Disclosure Act must be brought within the earlier of three (3) years of the violation, one (1) year after the franchisee becomes aware of the underlying facts or circumstances or ninety (90) days after delivery to the franchisee of a written notice disclosing the violation

4 This Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Amendment

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Illinois amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By	By
Name	Name
Title	Title
Date	Date
	By
	Name
	Title
	Date
	By
	Name
	Title
	Date

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date	Date
Signature	Signature
Date	Date

Maryland Disclosure

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Franchise Disclosure Document for Image Marketing Enterprises, L L C for use in the State of Maryland shall be amended as follows

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following language

The Franchise Agreement provides for termination upon bankruptcy of the franchisee This provision may not be enforceable under the U S Bankruptcy Code (11 U S C Section 101, et seq)

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise

Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

2 Exhibit H, "Franchisee Compliance Certification," shall be amended by the addition of the following at the end of Exhibit H

> The representations under this Franchisee Compliance Certification are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

3 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum

Maryland Amendment to the Franchise Agreement

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement (the "Agreement") agree as follows

1 Section 2 5 of the Agreement, under the heading "Term," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof

> 2 5 Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directors, agents, and employees, excluding only such claims as the Franchisee may have under the Maryland Franchise Registration and Disclosure Law

2 Section 15 3 13 of the Agreement, under the heading "Transferability Of Interest," shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof

> 15 3 13 Franchisee and each of its partners, shareholders, officers and directors shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its shareholders, officers, directors, employees and agents, excluding only such claims as the Franchisee may have under the Maryland Franchise Registration and Disclosure Law

3 Section 23 of the Agreement, under the heading "Applicable Law," shall be deleted in its entirety, and shall have no force or effect, and the following shall be substituted in lieu thereof

> This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri, without regard to the application of Missouri conflict-of-law rules Subject to Section 19 hereof, any action or proceeding of any kind arising out of or by reason of this Agreement may be brought in any state or federal court of competent jurisdiction in the State of Missouri, or in the State of Maryland with respect to any cause of action which arises under the Maryland Franchise Registration and Disclosure Law, and Franchisee hereby submits to the jurisdiction of any such court If, however, any provisions of this Agreement would not be enforceable under the laws of Missouri, and if Franchisee is located outside of Missouri and such provision would be enforceable under the laws of the state in which Franchisee is located, then such provision shall be interpreted and construed under the laws of that state Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise, and nothing in this Agreement shall act to reduce the three-year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law

4 Section 25 of the Agreement, under the heading "Acknowledgments," shall be supplemented by the following

> The foregoing acknowledgments are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law

5 Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment

IN WITNESS WHEREOF, the parties hereto have executed this Maryland amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By ____________	By ____________
Name ____________	Name ____________
Title ____________	Title ____________
Date ____________	Date ____________
	By ____________
	Name ____________
	Title ____________
	Date ____________
	By ____________
	Name ____________
	Title ____________
	Date ____________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date ____________	Date ____________
Signature	Signature
Date ____________	Date ____________

Michigan Disclosure

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION THIS SUBSECTION APPLIES ONLY IF (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS, AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE* THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO

(i) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION I

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN $100,000 00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P O BOX 30222, LANSING, MICHIGAN 48910

* * * *

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO
DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN FRANCHISE
670 G MENNEN WILLIAMS BUILDING
525 WEST LANSING
LANSING, MICHIGAN 48913

NOTE NOTWITHSTANDING PARAGRAPH (F) ABOVE, WE INTEND TO, AND YOU AGREE THAT WE AND YOU WILL, ENFORCE FULLY THE PROVISIONS OF THE ARBITRATION SECTION OF OUR AGREEMENTS WE BELIEVE THAT PARAGRAPH (F) IS UNCONSTITUTIONAL AND CANNOT PRECLUDE US FROM ENFORCING THE ARBITRATION PROVISIONS

Minnesota Disclosure

In recognition of the requirements of the Minnesota Franchises Law, Minn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn Rules §§ 2860 0100 through 2860 9930, the Franchise Disclosure Document for Image Marketing Enterprises, L L C for use in the State of Minnesota shall be amended to include the following

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs

> With respect to franchisees governed by Minnesota law, we will comply with Minn Stat Sec 80C 14, Subds 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld
>
> Pursuant to Minn Rule 2860 4400D, any general release of claims that you or a transferor may have against us or our shareholders, directors, employees and agents, including without limitation claims arising under federal, state, and local laws and regulations shall exclude claims you or a transferor may have under the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Commissioner of Commerce
>
> Minn Stat §80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to the liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

2 Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commission of Commerce are met independently without reference to this Addendum to the Disclosure Document

Mınnesota Amendment to the Franchıse Agreement

In recognıtıon of the requırements of the Mınnesota Franchıses Law, Mınn Stat §§ 80C 01 through 80C 22, and of the Rules and Regulatıons promulgated thereunder by the Mınnesota Commıssıoner of Commerce, Mınn Rules §§ 2860 0100 through 2860 9930, the partıes to the attached Image Marketıng Enterprıses, L L C Franchıse Agreement (the "Agreement") agree as follows

1 Sectıon 2 5 of the Agreement, under the headıng "Term," shall be deleted ın ıts entırety and shall have no force or effect, and the followıng paragraph shall be substıtuted ın lıeu thereof

> 2 5 Franchısee shall execute a general release, ın a form prescrıbed by Franchısor, of any and all claıms agaınst Franchısor and ıts affılıates, and theır respectıve officers, dırectors, agents, and employees, excludıng only such claıms as Franchısee may have that have arısen under the Mınnesota Franchıses Law and the Rules and Regulatıons promulgated thereunder by the Mınnesota Commıssıoner of Commerce

2 Sectıon 2 of the Agreement, under the headıng "Term," shall be supplemented by the addıtıon of the followıng new paragraph 2 6

> 2 6 Mınnesota law provıdes franchısees wıth certaın non-renewal rıghts In sum, Mınn Stat § 80C 14 (subd 4) currently requıres, except ın certaın specıfied cases, that a franchısee be gıven 180 days notıce of non-renewal of the Franchıse Agreement

3 Sectıon 7 of the Agreement, under the headıng "Proprıetary Marks," shall be amended by the addıtıon of the followıng new paragraph 7 11

> 7 11 Pursuant to Mınnesota Stat Sec 80C 12, Subd 1(g), Franchısor ıs requıred to protect any rıghts Franchısee may have to Franchısor's Proprıetary Marks

4 Sectıon 12 of the Agreement, under the headıng "Defaults and Termınatıon," shall be supplemented by the followıng new paragraph 12 4

> 12 4 Mınnesota law provıdes franchısees wıth certaın termınatıon rıghts In sum, Mınn Stat § 80C 14 (subd 3) currently requıres, except ın certaın specıfied cases, that a franchısee be gıven 90 days notıce of termınatıon (wıth 60 days to cure) of the Franchıse Agreement

5 Sectıon 15 3 13 of the Agreement, under the headıng "Transferabılıty of Interest," shall be deleted ın ıts entırety and shall have no force or effect, and the followıng paragraph shall be substıtuted ın lıeu thereof

> 15 3 13 Franchısee and each of ıts partners, shareholders, officers and dırectors shall have executed a general release, ın a form satısfactory to Franchısor, of any and all claıms agaınst Franchısor, ıts shareholders, officers, dırectors, employees and agents, excludıng only such claıms as Franchısee may have under the Mınnesota Franchıses Law and the Rules and Regulatıons promulgated thereunder by the Mınnesota Commıssıoner of Commerce

6 Section 15 of the Agreement, under the heading "Transferability of Interest," shall be supplemented by the addition of the following new paragraph 15 10

> 15 10 Minnesota law provides franchisees with certain transfer rights In sum, Minn Stat §80C 14 (subd 5) currently requires that consent to the transfer of the franchise may not be unreasonably withheld

7 Section 19 of the Agreement, under the heading "Arbitration," and Section 23 of the Agreement, under the heading "Applicable Law," shall be supplemented by the following paragraph, which shall be considered an integral part of the Agreement

> Minn Stat §80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to the liquidated damages, termination penalties or judgment notes In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

8 Each provision of this Agreement shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without reference to this Addendum to the Agreement

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Minnesota amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C

By ______

Name ______

Title ______

Date ______

______
FRANCHISEE

By ______

Name ______

Title ______

Date ______

By ______

Name ______

Title ______

Date ______

By ______

Name ______

Title ______

Date ______

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

______
Signature

Date ______

______
Signature

Date ______

______
Signature

Date ______

______
Signature

Date ______

New York Disclosure

Additional Risk Factors

INFORMATION CONCERNING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT F OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs tit 13, §§ 200 1 through 201 16), the Franchise Disclosure Document for Image Marketing Enterprises, L L C for use in the State of New York shall be amended as follows

1 Item 3, "Litigation," shall be amended by deleting the last sentence of Item 3 in its entirety, and substituting the following in lieu thereof

> Except as described above, neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has any administrative, criminal, or a material civil or arbitration action (or a significant number of civil or arbitration actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations
>
> Except as described above, neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded nolo contendere to any other felony charge or, during the ten-year period immediately preceding the application for registration, been convicted of a misdemeanor or pleaded nolo contendere to any misdemeanor charge or been found liable in an arbitration proceeding or a civil action by final judgment, or been the subject of any other material complaint or legal or arbitration proceeding if such misdemeanor conviction or charge, civil action, complaint, or other such proceeding involved a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegation
>
> Except as described above, neither we, nor any predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including without limitation, actions affecting a license as a real estate broker or sales agent
>
> Other than this action, no litigation is required to be disclosed in this disclosure document

2 Item 4, "Bankruptcy," shall be amended by deleting the second paragraph in its entirety, and substituting the following in lieu thereof

> Other than the individuals listed above, neither we, nor any of our predecessors, our affiliates, officers, or general partner, during the 10-year period immediately before the date of the disclosure document (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of its debts

under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership

3 Item 7, "Estimated Initial Investment," shall be amended by the addition of the following language at the conclusion of the Item

THERE ARE NO OTHER DIRECT OR INDIRECT PAYMENTS TO THE FRANCHISOR IN CONJUNCTION WITH THE PURCHASE OF THE FRANCHISE

4 Item 8, "Restrictions on Sources of Products and Services," shall be amended by the addition of the following language at the conclusion of the Item

WE DO NOT IMPOSE ANY FURTHER RESTRICTIONS OR CONDITIONS ON THE PURCHASING, LEASING, OR RENTING OF GOODS OR SERVICES BY YOU

5 Item 11, "Franchisor's Assistance, Advertising, Computer Systems, and Training" shall be amended by the addition of the following language at the conclusion of the subsection entitled "Site Selection "

These procedures for site selection will be applicable to all System franchisees

6 Item 14, "Patents and Copyrights, and Proprietary" shall be amended by the addition of the following language at the conclusion of the subsection entitled "Manual "

Revisions to the Manual will not unreasonably affect the Franchisee's obligations, including economic requirements, under the franchise agreement

7 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by deleting "d," "j," and "w" and the following d," "j," and "w" shall be substituted in lieu thereof

Provision	Section in Franchise Agreement	Summary
d Termination by you	None in Franchise Agreement	Pursuant to New York General Business Law, you may terminate the Agreement upon any grounds available by law
j Assignment of contract by us	Section 15 of Franchise Agreement	No restriction on right to transfer No assignment will be made except to an assignee who, in Franchisor's judgment, is willing and able to assume the Franchisor's obligation under the Franchise Agreement

Provision	Section in Franchise Agreement	Summary
w Choice of law	Section 23 of Franchise Agreement, Section 35(g) of Software License Agreement	Missouri The foregoing choice of law should not be considered as a waiver of any right conferred upon the franchisor or the franchisee by the General Business Law of the State of New York, Article 33

8 There are circumstances in which an offering made by the Franchisor would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York The Franchisor is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33 Notwithstanding, the Franchisor does not submit itself to the jurisdiction under the New York General Business Law, Article 33, merely by furnishing such a prospectus

STATEMENT OF DISCLOSURE DOCUMENT ACCURACY
THE FRANCHISOR REPRESENTS THAT THIS DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT

New York Amendment to the Franchise Agreement

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N Y Comp Code R & Regs , tit 13, §§ 200 1 through 201 16), the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement (the "Agreement") agree as follows

1 Section 2 5 of the Agreement, under the heading "Term," shall be deleted in its entirety, and shall have no force or effect, and the following shall be substituted in lieu thereof

> 2 5 Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliates, and their respective officers, directors, agents, and employees, provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N Y Gen Bus Law Sections 687 4 and 687 5 be satisfied

2 Section 9 3 of the Agreement, under the heading "Manuals," shall be supplemented by the addition of the following language at the end of the section, which shall be considered an integral part of the Agreement

> Revisions to the Manuals shall not unreasonably affect Franchisee's obligations, including economic requirements, under this Agreement

3 Section 15 1 of the Agreement, under the heading "Transferability of Interest," shall be supplemented by the following language, which shall be considered an integral part of the Agreement

> However, no assignment shall be made except to an assignee who, in the good faith judgment of the Franchisor, is willing and able to assume Franchisor's obligations under this Agreement

4 Section 15 3 13 of the Agreement, under the heading "Transfer of Interest," shall be deleted in its entirety, and shall have no force or effect, and the following shall be substituted in lieu thereof

> 15 3 13 Franchisee and each of its partners, shareholders, officers, and directors shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor, and its shareholders, officers, directors, employees and agents provided, however, that all rights enjoyed by the transferor and any causes of action arising in its favor from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force, it being the intent of this provision that the non-waiver provisions of N Y Gen Bus Law Sections 687 4 and 687 5 be satisfied,

5 Section 23 of the Agreement, under the heading "Applicable Law," shall be supplemented by the following additional language

> Nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by New York General Business Law, Sections 680-695

6 There are circumstances in which an offering made by the Franchisor would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the state of New York The Franchisor is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33 Notwithstanding, the Franchisor does not submit itself to the jurisdiction under the New York General Business Law, Article 33, merely by furnishing such a prospectus

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this New York amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By ______________	By ______________
Name ______________	Name ______________
Title ______________	Title ______________
Date ______________	Date ______________
	By ______________
	Name ______________
	Title ______________
	Date ______________
	By ______________
	Name ______________
	Title ______________
	Date ______________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date ______________	Date ______________
Signature	Signature
Date ______________	Date ______________

North Dakota Disclosure

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Image Marketing Enterprises, L L C shall be amended by the addition of the following language

The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N D C C)

A Restrictive Covenants Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

B Situs of Arbitration Proceedings Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

C Restriction on Forum Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

D Liquidated Damages and Termination Penalties Requiring North Dakota franchisees to consent to liquidated damages or termination penalties

E Applicable Laws Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

F Waiver of Trial by Jury Requiring North Dakota franchisees to consent to the waiver of a trial by jury

G Waiver of Exemplary and Punitive Damages Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

H General Release Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

North Dakota Amendment to the Franchise Agreement

In recognition of the requirements of the North Dakota Franchise Investment Law, N D Cent Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Agreement for Image Marketing Enterprises, L L C shall be amended by the addition of the following Section 29

29 The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees

A Restrictive Covenants Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to this statute

B Situs of Arbitration Proceedings Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business

C Restriction on Forum Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

D Liquidated Damages and Termination Penalties Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties

E Applicable Laws Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota

F Waiver of Trial by Jury Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury

G Waiver of Exemplary and Punitive Damages Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages

H General Release Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this North Dakota Amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C		FRANCHISEE	
By		By	
Name		Name	
Title		Title	
Date		Date	
		By	
		Name	
		Title	
		Date	
		By	
		Name	
		Title	
		Date	

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date	Date
Signature	Signature
Date	Date

Rhode Island Disclosure

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34 the Franchise Disclosure Document for Image Marketing Enterprises, L L C for use in the State of Rhode Island shall be amended to include the following

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following

> § 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

2 This Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34, are met independently without reference to this Addendum to the Disclosure Document

Rhode Island Amendment to the Franchise Agreement

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34, the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement (the "Agreement") agree as follows

1 Section 19 of the Agreement, under the heading "Arbitration," and Section 23 of the Agreement, under the heading "Applicable Law," shall be supplemented by the following paragraph, which shall be considered an integral part of the Agreement

> § 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

2 This Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28 1-1 through 19-28 1-34, are met independently without reference to this Amendment

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Rhode Island amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By ______________	By ______________
Name ______________	Name ______________
Title ______________	Title ______________
Date ______________	Date ______________
	By ______________
	Name ______________
	Title ______________
	Date ______________
	By ______________
	Name ______________
	Title ______________
	Date ______________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date ______________	Date ______________
Signature	Signature
Date ______________	Date ______________

Vırgınıa Dısclosure

In recognıtıon of the restrıctıons contaıned ın Sectıon 13 1 – 564 of the Vırgınıa Retaıl Franchısıng Act, the Franchıse Dısclosure Document for Image Marketıng Enterprıses, L L C for use ın the Commonwealth of Vırgınıa shall be amended as follows

Addıtıonal Dısclosure The followıng statements are added to Item 17 h

Under Sectıon 13 1-564 of the Vırgınıa Retaıl Franchısıng Act, ıt ıs unlawful for a franchısor to cancel a franchıse wıthout reasonable cause If any ground for default or termınatıon stated ın the franchıse agreement does not constıtute "reasonable cause," as that term may be defined ın the Vırgınıa Retaıl Franchısıng Act or the laws of Vırgınıa, that provısıon may not be enforceable

Virginia Franchise Agreement Amendment

In accordance with the requirements of the Virginia State Corporation Commission, Division of Securities and Retail Franchises, under the Virginia Franchising Act, Section 13 1 – 564, the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement agree as follows

1 Section 12 2 of the Franchise Agreement, under the heading "Defaults and Termination," shall be amended by deleting the first paragraph and substituting the following language in lieu thereof

> Franchisor may terminate this Agreement, and any and all licenses granted to Franchisee under this Agreement, immediately upon written notice to Franchisee, without opportunity to cure, if

2 Section 12 3 of the Franchise Agreement, under the heading "Defaults and Termination," shall be deleted in its entirety and shall have no further force or effect

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed, and delivered this Virginia amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C	FRANCHISEE
By	By
Name	Name
Title	Title
Date	Date
	By
	Name
	Title
	Date
	By
	Name
	Title
	Date

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

Signature	Signature
Date	Date
Signature	Signature
Date	Date

Washington Disclosure

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 180, the Franchise Disclosure Document for Image Marketing Enterprises, L L C in connection with the offer and sale of franchises for use in the State of Washington shall be amended to include the following

1 Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs at the conclusion of the Item

> The state of Washington has a statute, RCW 19 100 180, which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise
>
> In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator
>
> In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail
>
> A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable
>
> Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer

2 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 180, are met independently without reference to this Addendum to the Disclosure Document

Washington Amendment to the Franchise Agreement

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, the parties to the attached Image Marketing Enterprises, L L C Franchise Agreement agree as follows

The state of Washington has a statute, RCW 19 100 180, which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable

Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash Rev Code §§ 19 100 010 through 19 100 940, are met independently without reference to this Amendment

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Washington amendment to the Franchise Agreement on the same date as the Franchise Agreement was executed

IMAGE MARKETING ENTERPRISES, L L C

By ______________________

Name ______________________

Title ______________________

Date ______________________

______________________ FRANCHISEE

By ______________________

Name ______________________

Title ______________________

Date ______________________

By ______________________

Name ______________________

Title ______________________

Date ______________________

By ______________________

Name ______________________

Title ______________________

Date ______________________

If Franchisee is a corporation, all shareholders owing, beneficially or otherwise, ten percent (10%) or more of Franchisee's capital stock or rights to acquire Franchisee's capital stock

____

Signature

Date ______________________

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Signature

Date ______________________

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Signature

Date ______________________

____

Signature

Date ______________________

ITEM 23
RECEIPTS

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language Read this disclosure document and all agreements carefully

If Image Marketing Enterprises, L L C ("**IME**") offers you a franchise, it must provide this Disclosure Document to you

(a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or

(b) Under New York law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or

(c) Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or

(d) Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or payment of any consideration, whichever occurs first

If IME does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and to the appropriate state agency listed in Exhibit F

The franchisor is IME, located at 648 Trade Center Blvd , Chesterfield, MO 63005 Its telephone number is (636) 536-6100

Issuance date March 30, 2018

The franchise seller is Ms Jeanne Diliberto, or IME, 648 Trade Center Blvd , Chesterfield, MO 63005, Telephone (636) 536-6100 Any additional individual franchise sellers involved in offering the franchise are

____

____

IME authorizes the agents listed in Exhibit G to receive service of process for us

I received a Franchise Disclosure Document dated March 30, 2018, that included the following Exhibits

A	Franchise Agreement	H	Financial Statements
B	Satellite Addendum	I	Franchisee Compliance Certification
C	Security Agreement	J	Manual Table of Contents
D	Guarantee Agreement	K	Software License Agreement
E	List of Franchisees	L	General Release
F	List of Administrators	M	State-specific Disclosure and Agreement Amendments
G	Agents for Service of Process		

____
Date Received

____
Prospective Franchisee

____
Name (please print)

Address ________________________

____

____

ITEM 23
RECEIPTS

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language Read this disclosure document and all agreements carefully

If Image Marketing Enterprises, L L C ("**IME**") offers you a franchise, it must provide this Disclosure Document to you

(a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or

(b) Under New York law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or

(c) Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or

(d) Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or payment of any consideration, whichever occurs first

If IME does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and to the appropriate state agency listed in Exhibit F

The franchisor is IME, located at 648 Trade Center Blvd , Chesterfield, MO 63005 Its telephone number is (636) 536-6100

Issuance date March 30, 2018

The franchise seller is Ms Jeanne Diliberto, or IME, 648 Trade Center Blvd , Chesterfield, MO 63005, Telephone (636) 536-6100 Any additional individual franchise sellers involved in offering the franchise are

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IME authorizes the agents listed in Exhibit G to receive service of process for us

I received a Franchise Disclosure Document dated March 30, 2018, that included the following Exhibits

A	Franchise Agreement	H	Financial Statements
B	Satellite Addendum	I	Franchisee Compliance Certification
C	Security Agreement	J	Manual Table of Contents
D	Guarantee Agreement	K	Software License Agreement
E	List of Franchisees	L	General Release
F	List of Administrators	M	State-specific Disclosure and Agreement Amendments
G	Agents for Service of Process		

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Date Received Prospective Franchisee

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Name (please print)

Address ________________________

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